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Interstate Space Council Discusses Joint Exploration

LD0306195394 Moscow ITAR-TASS in English 1908 GMT 3 Jun 94

[By ITAR-TASS correspondent Anna Bakina]

[Text] Moscow June 3 TASS—"Ukraine plans to supply space exploration accessories to the Baykonur space launching grounds on condition of a Ukrainian possibility to use the grounds," First Deputy General Director of the Ukrainian National Space Agency Andrey Zhalko-Titarenko told a news conference on results of a meeting of the Inter-State Space Council here today.

The meeting discussed a new program of joint space exploration for Russia, Ukraine, Belarus, Uzbekistan, Tajikistan, Kazakhstan and Azerbaijan. The program will be finalized and submitted to the council of state heads, said General Director of the Russian Space Agency Yuriy Koptev.

The meeting participants reported priority research areas of their national space agencies. For instance, Ukraine plans to develop rocket-building and finalize the Zenit Ukraine rocket- booster.

In the words of General Director of the Kazakh Space Agency Aisultan Kalybayev, Kazakhstan will participate in seven out of the 12 program items, including telecommunications and communications means. As for Baykonur, he said that "the grounds are Kazakh property and the republic cannot keep aside from its activities." Documents on conditions of the Baykonur rent have not been discussed, said Yuriy Koptev.

Accepts 1994 Cooperation Program

LD0306194094 Moscow INTERFAX in English 1810 GMT 3 Jun 94

[Text] The Interstate Council for Space, which incorporates the countries of the former USSR, accepted the program on cooperation in space research and use for 1994 when it met in Moscow from June 2-3.

The meeting was attended by representatives of Russia, Kazakhstan, Ukraine, Belarus, Uzbekistan, Azerbaijan and Georgia, which was admitted to the Council at the current session.

The cooperation program involves joint efforts in 12 areas of space activity, including space communications, remote earth exploration, manned flights, new scientific space systems and the creation of new rocket-launch vehicles.

The program's overall cost is estimated at 1.2 trillion rubles (in January 1994 prices), the "minimum sum", to quote Russian Space Agency officials, needed to carry the program out.

Each party to the program will decide how to finance the program on an individual basis, taking their government's real contribution into account. The countries also agreed to become involved in financing vital facilities, such as the Baykonur (Kazakhstan) and Plesetsk (North Russia) launch sites.

The program must be submitted to the Intergovernmental CIS Council for consideration.

CIS Countries Support Yeltsin on Abkhazia

LD0306154294 Moscow INTERFAX in English 1320 GMT 3 Jun 94

[Text] The CIS Executive Secretary, Ivan Korotchenya, has told Interfax that a majority of CIS countries gave support to President Yeltsin's call for deploying collective peace-keeping forces in the Georgian-Abkhaz conflict area. Now they are awaiting Moscow's political decision on this matter. According to Korotchenya, he came to Moscow to inform the Russian president of the results of his recent mission during which he consulted the leaders of CIS countries in connection with the initiative of Boris Yeltsin, who is the chairman of the Council of the Heads of Commonwealth States.

As Korotchenya said, all CIS leaders "see the need to deploy peace-keeping forces in the conflict area, and many undertook to despatch observers there and give as much material aid as they can." Some CIS countries "may deploy their peace-keeping contingents in the conflict zone after the necessary consultations," Korotchenya added.

As regards the CIS countries which joined the Council of Collective Security, Minsk alone has not taken its final decision on Yeltsin's appeal. It will determine its stand, when the parliament convenes for a session after June 23. Moldova, Ukraine and Turkmenistan, which did not sign the Treaty on Collective Security, have not reacted to the Russian president's call so far.

With reference to the Federation Council's failure to approve the deployment of Russian peace-keepers in the conflict area, Korotchenya said he hopes that the upper chamber of Russia's parliament will resolve this issue positively when it reconsiders it.

The deployment of peace-keepers requires the approval of Russia's president, who promised in his appeal that Russian servicemen will form the backbone of collective forces, Korotchenya said. "As far as I know, the military are ready to all intents and purposes; they are waiting for a political decision. Abkhazia, Georgia and the Caucasus as a whole are also waiting for it," said the CIS executive secretary.

According to Korotchenya, the deployment of peace-keepers in the conflict zone is designed to indicate that the CIS is capable of resolving its internal problems on its own, without the participation of the U.N., the CSCE, or other international organizations.

CIS Executive Secretary on Troop Deployment

NC0306153794 Baku TURAN in English 1049 GMT 3 Jun 94

[Text] Baku (June 6) (TURAN)—From the talks between Azeri President Geydar Aliyev and Ivan Karatchenya [CIS Executive Secretary] it become evident that Russian troops under status of CIS peacemaking forces could be deployed in the Georgian-Abkhazian conflict zone.

Karatchenya visited the Central Asia states and Georgia. He visited these states with the intent to put into effect a request by Eduard Shevardnadze, President of Georgia about the deployment of joint CIS forces in Georgian-Abkhazian conflict zone and about the appeal by Boris Yeltsin to CIS members.

The decision regarding the troop deployment might be adopted as early as Friday, after Karatchenya briefs Yeltsin on the results of his visit to the two regions. Karatchenya told the Azeri President that although Central Asia supports the peacemaking forces, questions do remain.

In this respect Karatchenya said that Azerbaijan's position has particular significance.

He admitted that the CIS forces will consist only of Russian troops. According to Aliyev, this situation arises serious questions. "We speak about the CIS as forces cooperating as a commonwealth. And now it has become evident that talk is only about Russian troops. I think that international authority of the CIS as a Commonwealth of members with equal rights will suffer from this arrangement," said Aliyev.

The confidentiality of the talks is testimony to the fact that Speaker Rasul Guliyev, Foreign Minister Gasan Gasanov, State Secretary for International Affairs Vafa Guluzade, and Vice-Premier Abbas Abbasov waited for the closed-door discussions to come to an end. During the short recess, TURAN was able to speak with Karatchenya who said that "Azerbaijan's leadership sees the deployment of CIS peacemaking forces into Georgia as necessary, but with the active participation of the United Nations and the CSCE. The Azeris think it is necessary to increase the contingent of UN observers to equal that of the CIS. I do not exclude the fact that the Azeri President will adopt the decision to send an Azeri military subdivision as part of the CIS peacemaking forces to Abkhazia, since these must be joined." He further said that discussion is about a 400-soldier batallion.

It is expected that CIS forces totalling 2500 to 3000 people will be deployed to Georgia. The UN will finance the bulk of the expenses.

The operation for the CIS force deployment to Georgia is scheduled to [sentence as received; passage apparently dropped in transmission] Georgian-Abkhazian conflict zone can be applied, in part, be applied to the Karabakh situation. He also noted that the Karabakh conflict was not discussed during the talks.

A senior Presidential staff member expressed his doubts that Baku will seriously send a batallion of its soldiers to Georgia. At the same time, he noted that this operation is of practical interest to Azerbaijan and help Baku to correct its approaches to the options for the settlement of the Karabakh conflict.

ITAR-TASS Carries Press Review for 4 Jun

LD0406063294 Moscow ITAR-TASS in English 0454 GMT 4 Jun 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow June 4 (ITAR-TASS)—All today's Russian newspapers print materials on the 195th birth of the great Russian writer Aleksandr Sergeyevich Pushkin to be marked on June 6. The Russian press also singles out the celebration of the 50th anniversary of the D-Day, the opening of the second front in Europe in the Second World War.

In this connection, the ROSSIYSKIYE GAZETA newspaper notes that Russia was not invited to celebrate the D-Day jubilee. "It is understandable why Russia was not invited," the newspaper writes.

"It is inconvenient for some people to stand next to those who made the main contribution to the victory over Nazi Germany and to boast of their combat feats in, let it be, the largest landing operation of the Second World War and yet an operation but not the decisive battle of the war."

Writing on the same topic, the NEZAVISIMAYA GAZETA newspaper stresses: "An operation, unique in its scale and organisation, is a property of both military history and mankind's experience, experience of self-sacrifice in the name of victory over evil and an example of unity of people of various nationalities in the name of a common goal, about which some people forget these days."

At the same time, the newspaper notes that, "according to public opinion polls conducted in France and the United States, the world started forgetting who made the main contribution to the victory over Nazism.

"Some 20 per cent of respondents, on average, remember the Soviet Union. Most speak about the American victory. The French mention even Italy."

The ROSSIYSKIYE VESTI newspaper runs a front-page article, criticising the Finance Ministry headed by Sergey Dubinin. "The present-day Finance Ministry resembles a torpedoed ship which is still afloat and moves by inertia but already loses speed," the newspaper notes.

The same newspaper carries an article devoted to Aleksandr Solzhenitsyn's return home. The newspaper writes in its commentary that people, beset by political passions, complain that Solzhenitsyn came to teach them how to live.

"We ourselves make a lord out of him who will decide who is right and who is wrong," the newspaper says. "Solzhenitsyn who was not broken by gulag and a forced expulsion from the country, will not be anybody's confidant."

The KOMSOMOLSKAYA PRAVDA newspaper features an interview with Russian Atomic Energy Minister Viktor Mikhailov who opposes the salvaging of the sunken nuclear-powered Komsomolets submarine.

Mikhailov, the designer of nuclear weapons of the third generation, says: "There is no need to surface the submarine. All examinations show that there is no leakage of plutonium".

He claims that the submarine should be left at the sea bottom. It will sink into ooze, and nature will take care of neutralising the sub's nuclear weapons better than people.

The PRAVDA newspaper carries an interview with Professor Aleksandr Livshits, head of the Russian president's expert group.

According to Livshits, "provided there is clear course of the present government and no political confrontation, there is no more than one year left to the initial stages of an economic rebound in Russia".

The SOVETSKAYA ROSSIA newspaper front-pages an interview with former State Security Minister Viktor Barannikov.

He explains his removal from the ministerial post by the fact that "it was not to the liking of the president's team, above all, an insistent demand and readiness to take urgent and specific measures at the state level against an appalling pillage of the country's wealth.

"They were incensed by facts (quoted in my reports) of direct complicity in this of high-ranking government officials as well as by glaring facts of corruption at the top echelons."

Commenting on the talks on the division of the Black Sea Fleet, the KRASNAYA ZVEZDA newspaper writes: "It is in vain to hope for an early division of the Black Sea Fleet. The delay is advantageous for Ukraine, since Russia, in fact, maintains the entire fleet all alone, hence its Ukrainian part.

"Besides," the newspaper continues, "some politicians are in no hurry to close the question on the Black Sea Fleet, since they 'have not squeezed' as yet all political 'dividends' out of this issue."

Yeltsin, Clinton Discuss DPRK 'Nuclear Problem'

LD0306165494 Moscow ITAR-TASS in English 1629 GMT 3 Jun 94

[Text] Moscow June 3 TASS—Presidents Boris Yeltsin and Bill Clinton had a telephone conversation today, the presidential press service reports.

The Russian state head "informed Bill Clinton of Russian ideas on settlement of the North Korean 'nuclear problem,' including the idea of a multilateral conference, in development of his conversations with South Korean President Kim Yong-sam on Thursday."

The presidents agreed to instruct their experts to analyze these issues and prepare corresponding proposals, said the press service.

U.S., ROK Agree To UN Sanctions Against DPRK

LD0306204294 Moscow ITAR-TASS in English 2029 GMT 3 Jun 94

[By ITAR-TASS diplomatic correspondent]

[Text] Moscow June 3 TASS—U.S. President Bill Clinton had a 30-minute telephone conversation with South Korean President Kim Yong-sam, currently on an official visit to Moscow.

During the telephone talks the two leaders agreed that at the moment there is no choice but to press for the U.N. Security Council's sanctions against North Korea to settle the dispute over its nuclear problem, said sources at the South Korean delegation.

Clinton told Kim Yong-sam the United States intends to achieve security of South Korea.

Kim, Clinton Speak Over Telephone

SK0406001194 Seoul YONHAP in English 2353 GMT 3 Jun 94

[Text] Moscow, June 3 (YONHAP)—Presidents Kim Yong-sam of South Korea and Bill Clinton of the United States agreed Friday that they have no other choice but to press the U.N. Security Council [UNSC] to adopt a resolution imposing sanctions against North Korea.

The agreement came in a 30-minute telephone conversation from 7:15 P.M. Moscow time. The call was made by Clinton in Rome, where the U.S. President is attending events commemorating the 50th anniversary of D-day.

President Kim received the call as he wound up his four-day state visit to Russia.

The United States has completed preparations for a better and firmer defense of South Korea, Clinton told Kim, according to presidential spokesman Chu Ton-sik. Chu said he could not disclose further details of the presidential conversation.

Prior to talking with Kim, Clinton called Russian President Boris Yeltsin and told him that the North Korean nuclear row will now have to be dealt with by the U.N. Security Council.

Details of the Clinton-Yeltsin call were not disclosed either, but the U.S. President was understood to have phoned Yeltsin in order to secure Russian support for the Security Council plans. They also reportedly discussed taking concerted steps between the United States and South Korea along with Japan and China.

Backing of Non-UN Sanctions Against DPRK Doubted

LD0606102694 Moscow ITAR-TASS in English 1017 GMT 6 Jun 94

[By ITAR-TASS diplomatic correspondent Nikolay Geronin]

[Text] Moscow June 6 TASS—A high-ranking Russian foreign ministry official hinted on Monday that Russia may not support sanctions against North Korea if they are imposed by the United States, Japan and South Korea without a UN approval.

"Russia, as well as China, has major trade and economic interests in the Democratic People's Republic of Korea. That is why Moscow will take into consideration its economic interests in relations with the DPRK while working out its position towards trilateral sanctions against Pyongyang", the official told TASS on Monday.

However, he added that the common goal of Russia and other states is to ensure the nuclear-free status of the Korean peninsula and make North Korea observe the nuclear non-proliferation regime.

The official reiterated the position voiced by President Boris Yeltsin that Russia stands for a gradual approach to sanctions against Pyongyang and said all other measures are to be used first. "Moscow believes that it is necessary to try and use all possible political measures without infringing on the interests of the sides", the official stressed.

He recalled the proposal of the Russian president to convene an international conference on security and nuclear-free status of the Korean peninsula. "This proposal does not mean that other variants of the settlement are brushed aside", he added.

Source: DPRK Pushed 'Too Far'

OW0506070094 Tokyo Nikkei Telecom Database in Japanese 4 Jun 94

[By Nobuyuki Tanaka; from NIHON KEIZAI SHIMBUN 4 Jun Evening Edition]

[Text] Moscow, 3 Jun—With economic sanctions against the DPRK (North Korea) looking more possible as a result of phone conversation between top leaders of the United States and South Korea [ROK], Russia is watching U.S. moves, but will soon reiterate its call for an eight-party international conference proposed by President Yeltsin. The eight parties referred to are South and North Korea, Japan, the United States, China, Russia, the United Nations, and the International Atomic Energy Agency.

Russia, which appears to be treading an idependent diplomatic course by drawing a line with the Western camp since early this year, is concerned lest the DPRK question be resolved under U.S. leadership. Even though it basically has no intention of objecting to economic sanctions, it has not withdrawn from its position of calling for a meeting of the eight parties before taking that action.

According to a Russian Foreign Ministry source, even within the ministry there are voices of self-reproach saying: "We have pushed the DPRK too far into a corner by approaching the ROK promptly following the collapse of the Soviet Union." Given the situation, there is no choice but for the country to be cautious about economic sanctions at this stage.

It is also true that this issue draws little concern in parliament and among the public as compared to the Bosnian issue, wherein the problem of Slavic Serbs is involved. Besides, with economic ties with the ROK only growing, what Russia most likely wants to do most is to stay away from making decisive confrontations with the United States and the ROK over the DPRK nuclear issue.

Panov Comments on USSR-DPRK Treaty

LD0306162794 Moscow INTERFAX in English 1546 GMT 3 Jun 94

[From the "Diplomatic Panorama" feature: By correspondents Igor Porshnev, Vitaliy Trubetskoy, and others]

[Text] Deputy Russian Foreign Minister Alexander Panov said that the treaty between the ex-USSR and Russia [as received] evidently was not in line with the present realities and could no longer exist as it was. He said that the treaty would expire in two years. "In accordance with this document, one party must notify the other on its intention to extend or not to extend the treaty. This means we still have a year," Panov stressed.

Panov said that Russia had already proposed to North Korea to review the treaty. "That is to say the message to Pyongyang has already been sent," he concluded.

Moscow does not rule out that the issue concerning sanctions against North Korea could be submitted for consideration of the UN Security Council, Chief of the Russian Foreign Ministry First Asian Department Mikhail Beliy said in an interview with Interfax today.

Bely said that the matter was becoming serious since Pyongyang was refusing to negotiate with the International Atomic Energy Agency on reloading the nuclear reactor.

Bely pointed out that sanctions were the last resort. "In principle, sanctions could be imposed. However, all other political opportunities must be exhausted before this," he remarked.

Bely believes that not every method has as yet been applied to influence Pyongyang. "After the talks between North Korea and the U.S.A. failed, the Russian initiative on an international conference on security and non-nuclear status of the Korean peninsula was high on the agenda. I think the time has come to try to settle this issue on the whole," he underlined.

Commenting on the future of the treaty between ex-USSR and North Korea (since Russia was the legal successor of the USSR), Beliy said, "The first provision of this treaty providing for assistance to Pyongyang in case of an aggression against it is not really in force. Only in case of a non-provoked aggression against North Korea will we establish how much it conforms with our understanding of the treaty. We will be thinking how to amend the document."

Soskovets: ROK Relations Should Not Harm DPRK

LD0406125394 Moscow Radio Moscow World Service in English 1100 GMT 4 Jun 94

[Text] Oleg Soskovets, the Russian first deputy chairman of the Council of Ministers, believes that the relations between Russia and South Korea should develop not to the detriment to contacts with North Korea. I wouldn't like to talk of sharp confrontation with North Korea, Soskovets told a RIA correspondent.

Russian firms and enterprises display noticeable interest in North Korea. The former USSR built their many enterprises and production capacities. This is our potential machine—the metallurgic and energy market—and it is not expedient to lose it for political reasons. At the same time the deputy prime minister pointed out that North Korea should unconditionally comply with the UN demands on nuclear power engineering.

Economic Losses Feared Over DPRK Sanctions

MK0406113094 Moscow KOMMERSANT-DAILY in Russian 4 Jun 94 p 4

[Viktor Zamyatin article: "North Korea Nuclear Weapons Problem. Washington Ready To Impose Sanctions, Pyongyang Ready To Start War"]

[Excerpts] Although Boris Yeltsin did state at the meeting with his South Korean counterpart Kim Yong-sam that it is still early to speak of sanctions against the DPRK, yesterday's developments indicate otherwise. It is believed in Washington, Tokyo, and Seoul, as well as in the IAEA that sanctions are already a must—so far has Pyongyang gone in its stubbornness. [passage omitted]

The IAEA proposes to the UN Security Council that political pressure be brought to bear on Pyongyang, and if those do not work, sanctions should be applied. The need for raising the question of sanctions against the DPRK in the UN Security Council was also discussed by Bill Clinton, who is in Italy, should the conclusions drawn by IAEA chief Blix be confirmed. In his words, the United States would press for sanctions even if Pyongyang regards this an "act of a declaration of war." [passage omitted]

Not all UN Security Council permanent members, however, agree with Washington's arguments. Expressing their concern over the North Korea nuclear weapons problem, Moscow and Beijing prefer a more cautious position. Today Russia explains it by possible economic losses, pointing to the Iraq, Libya, and Yugoslavia precedents. Nevertheless it is still unclear how the Russian representative is going to act in a possible vote in the Security Council. More likely than not, China would as always abstain. According to a Chinese Foreign Ministry statement, Beijing would not like the use of measures that could worsen the situation.

Pyongyang, meanwhile, is absolutely obviously preparing for war—according to the statement of a North Korean politician, "sanctions, without a doubt, would lead to destructive consequences in Asia and the rest of the world, let alone the Korean Peninsula." According to CNN information, the DPRK flight-tested two rockets that can carry nuclear warheads. Shilly-shallying by the international community may entail unpredictable consequences.

ROK President Sends Foreign Minister to New York

SK0406055494 Seoul YONHAP in English 0546 GMT 4 Jun 94

[Text] Moscow, June 4 (YONHAP)—South Korean Foreign Minister Han Sung-chu separated from the presidential entourage Saturday and hurried to the United States, where sanctions are being discussed against North Korea. South Korean President Kim Yong-sam, here on a summit visit, instructed Han to go to the United States just before he left for Uzbekistan, Kim's aides said.

Han hopes to stop off in London for special talks with U.S. Secretary of State Warren Christopher, who is accompanying President Bill Clinton on a visit to Europe, the aides said.

The U.N. Security Council will begin serious negotiations on a sanctions resolution against North Korea from next week, setting deadlines and the degree of sanctions to resolve the nuclear crisis.

Han is expected to fly to New York for talks with U.N. Secretary-general Butrus Butrus-Ghali and Security Council President Salim Bin Mohammed al-Khussaiby as well as ambassadors from the United States, Japan, China and Russia.

In Washington, Han will confer with administration officials to coordinate policies and future countermeasures on the nuclear problem.

ROK President Kim Addresses Federation Council

SK0306031094 Seoul KBS-1 Television Network in Korean 1245 GMT 2 Jun 94

[Speech by ROK President Kim Yong-sam at the Russian Federation Council in Moscow on 2 June—recorded]

[Excerpts] Esteemed chairman and council members: I am very happy to have this opportunity to speak at the Federation Council, which was formed through the first free elections in the history of Russia, about my views on the future of the ROK and Russia. I have been deeply interested in the Russian parliament's giant steps toward creating a new history and visited in 1989 and 1990 during the period of the former Soviet Union. [passage omitted]

This time, I have again come to Moscow, a city of beautiful culture and long history, in order to build ROK-Russian relations. [passage omitted]

I recognize the potential power of Russia in the fact that it repelled invasions by Napoleon and Hitler to be the last fortress of world peace. Russia was twice the focus of changes in the world history of the 20th century. Its advanced science and technology, which launched the world's first space rocket, were precious assets for mankind. I firmly believe in the great spirit and potential power of the Russian people who created the culture and arts that shine today in the history of mankind.

Council members: This morning I exchanged frank conversations with President Yeltsin. I firmly believe that the ROK and Russia can become reliable partners for mutual prosperity in the upcoming 21st century. We can cooperate with each other for success in each other's ongoing reforms. We can closely cooperate for the reunification of the Korean peninsula and for our common prosperity.

The ROK and Russia are today enveloped in the surging waves of great change and reform. With the collapse of the Cold-War structure and the settlement of the Uruguay Round negotiations, the world order is undergoing rapid reorganization. Some people refer to this as the beginning of an era of globalization, and others say that the post-industrial era has come to an end. However they may all be called changes of the times, and history will make stragglers of not only all countries, but also all individuals, who remain idle in the existing system.

The ROK and Russia are carrying out reforms, while surmounting many sacrifices and pains, in order not to become stragglers in the new era and, furthermore, in order to pioneer a more stable and affluent era. The ROK is stepping up its reforms in order to strengthen its competitive power based on the democratization and economic development it has achieved so far. With the success of these reforms, the ROK will see a decisive opportunity for another leap. I firmly believe that the ROK's reforms will create a new prosperous ROK and achieve a peaceful, reunified ROK [pyonghwaroun tongil hanguk] without fail. I pay my respects to the patience and passion [innaesim kwa yolchong] of the Russian people who are participating in democratic reforms and new economic construction.

I firmly believe that the sweat and tears shed today by you council members and Russian people for reform will eventually bear the fruits of joy and hope. A new, stable, and prosperous Russia will be a sign to the Russian people, Asian people, and all the people of the world that a new, mutually prosperous era has emerged.

Next, I would like to stress the need for the ROK and Russia to make greater efforts for greater mutual understanding between them. The ROK and Russia established modern diplomatic relations in the 1880's. For one hundred years since then there was a period of friendship and cooperation during which Russia assisted our independence movement. On the other hand, our history is also marked by bitter discord and severance.

While Stalin's rule imposed blood and sufferings on the Russian people, it brought the miserable tragedy of war to the ROK people. Until ROK-Soviet diplomatic relations were established in 1990, the ROK and Russia had to suffer a period of dispute characterized by mutual distrust and hostility, as evidenced in the shooting down of the Korean Airline plane. We should rid ourselves of this unhappy past to open a new era of mutual understanding. Any form of mutual cooperation will be impossible if we fail to understand one another. I foresee an era of mutual understanding and cooperation between the two countries bearing its fruit.

The documents related to the 25 June Korean war that we have received from the Russian Government this time means the liquidation of the dark past that existed between the ROK and the Soviet Union.

The volume of trade, which was $900 million in 1990, increased to $1.6 billion last year. The ROK people's investment in Russia amounts to $24 million in 15 cases.

As of March 1994, 29 prominent ROK business firms established their branch offices in Russia.

With my current visit to Russia as an occasion, practical and substantive cooperative relations will be further expanded rapidly.

Supplementary economic cooperation and technological cooperation based on mutual needs will make the ROK and Russia even closer neighbors. [passage omitted]

The change in the position of Koreans living in Russia is an important example symbolically showing the change in relations between the ROK and Russia.

Council members, another task that we should jointly pursue is to make Asia a zone of peace free from oppression and war. Peace is a long-aspired desire of mankind. However, mankind suffered various wars for the past 100 years. In particular, east Asia has suffered from the imperialists' war of aggression [cheguk chuui ui chimyak chonjaeng] and from the harsh trial of the Cold War system during the past century.

The Korean peninsula had to confront such a historical trial right in the front. The Korean peninsula still remained in the state of division. The ROK people and I are making consistent efforts to achieve peace and peaceful reunification of the Korean peninsula.

Among other things, dispelling [haesosikinuniri] the international community's suspicion over North Korea's nuclear weapons development as quickly as possible is important.

This is because peace on the Korean peninsula and, moreover, peace in Asia can never be ensured without clearly resolving the nuclear issue. In addition, world peace cannot be ensured either.

The ROK people and I are fully prepared to give economic assistance to North Korea, which is facing a difficult economic situation, for its rehabilitation and reforms [chaegongwa kaehyogul wihae], only if the nuclear issue is resolved.

I sincerely call on Russian parliamentary leaders to positively cooperate to resolve this issue.

Since I came to office, I planned to visit Russia, the United States, Japan, and China, the countries that are exerting the most important influence over east Asia, and have completed the visit to three countries except Russia. I asked the government leaders and people of these nations to actively cooperate for peace in east Asia, and acquired their support.

Now, I am visiting Russia and sincerely discussing the measures for peace in east Asia with Russian leaders, including President Yeltsin. Without Russia's cooperation, peace in east Asia cannot be ensured. This will be the starting point for opening a new history of mutual prosperity between the ROK and Russia.

Cooperation of the Russian Government and parliamentary leaders for opening the history of peace will expand peace of the entire world. Let us all unite our strength and become the main force for opening the era of peace.

I have experience in leading my life as a parliamentarian for over 30 years. Therefore, I have special affection and friendship toward you all. [passage omitted]

I believe that the Russian people will exert more important influence upon mankind's civilization in the 21st Century than any other people of the world. This is because the Russian people have great cultural assets and capabilities of leading the world's civilization in the 21st Century. One of the central pillars of new civilization is being formed in the Asian-Pacific region.

I believe that Russia, together with the ROK, will become one of the important main forces of the Asian-Pacific era, because Russia has the great people with unlimited natural resources and boundless potential. The ROK people and I, together with all other people of the world, expect for the Russian people's creative activities.

I believe that politics is a process of realizing justice and at the same time, a work of linking the people with the future hope. I hope that the Russian parliament and your Council, be a plaza of consensus of the people toward change and reform, and be a beaconfire illuminating dream and hope of the future to the Russian people who are going through transitional difficulties.

I sincerely hope that the Russian parliament will play the key role in creating a new stabilized and prosperous Russia, and that the proud days when Russia again takes a great leap for the world and for mankind will come at an early date.

Let us all unite our strength and make efforts for the new long history of mutual prosperity between the ROK and Russia and for creation of new civilization of the world in the 21st Century.

Thank you all. [applause]

Leaves for Tashkent

LD0406083694 Moscow ITAR-TASS World Service in Russian 0735 GMT 4 Jun 94

[By ITAR-TASS diplomatic correspondent Nikolay Geronin]

[Excerpts] Moscow, 4 June—Kim Yong-sam, president of the Republic of Korea, today left Moscow for Tashkent at the end of the Russian-Korean summit.

At Sheremetyevo-1 airport, the leader of the Republic of Korea was seen off by Oleg Soskovets, first deputy chairman of the Russian government. [passage omitted]

After visiting Uzbekistan on 4-6 June, Kim Yong-sam on 7 June will visit Khabarovsk and Vladivostok, where he will meet the leadership of Khabarovsk Kray and Primorskiy Kray and will inspect a large anti-submarine ship of the Pacific Fleet.

"We are very pleased with the results of the Russian-South Korean summit," Han Sung-chu, the foreign minister of the Republic of Korea, stated to an ITAR-TASS correspondent. "This was a major contribution towards the process of broadening and strengthening our relations in all spheres—security, diplomacy, economy. In the economic sphere we have not just consolidated our existing economic links but opened new doors in our bilateral cooperation."

It is also very important that both presidents—Boris Yeltsin and Kim Yong-sam—got on well with each other personally, the minister noted. The two presidents have much in common: they are both very good politicians, have strong leadership qualities and are capable at taking decisive actions.

Georgiy Kunadze, the Russian ambassador in Seoul, said that the dialogue between the Russian and South Korean presidents was fruitful. Boris Yeltsin and Kim Yong-sam had a thorough exchange of opinions about relations between the two countries which are developing smoothly. Questions of international importance, including the North Korean nuclear issue were also discussed. The Russian side believes that this problem should be solved but at the same time no harsh steps need be taken, the ambassador noted.

Radio Reviews Results of ROK President's Visit

SK0406141494 Moscow Radio Moscow in Korean 1200 GMT 3 Jun 94

[Commentary by Aleksandr Kondratyev]

[Text] Talks have taken place in Moscow between Russian President Boris Yeltsin and ROK President Kim Yong-sam. Station reporter Aleksandr Kondratyev assesses the results of the ROK- Russian high-level talks:

The Russian-ROK joint communique is the most important among the documents signed as a result of these meetings. The communique contains the two leaders' principled view on the development of bilateral cooperation and global and regional problems.

The Russian and ROK presidents declared that they would develop their bilateral relations into a constructive and reciprocal partnership based on the universal values of freedom, democracy, lawfulness, and human rights.

I must point out, however, that all the potential to build relations between the countries was not utilized. However, as President Boris Yeltsin has stated, Russia has every reason to be optimistic about the prospects of relations between Russia and the ROK. President Yeltsin described the bilateral relations as constructive, good-neighborly relations.

Kim yong-sam stated that his visit to Moscow and the talks during the visit will make relations between Russia and the ROK friendlier.

The presidents of the two countries paid particular attention to the situation on the Korean peninsula and, in particular, the Korean nuclear crisis. This is very appropriate. This is because it has been said that nuclear weapons may appear on the Korean peninsula.

The joint communique stresses that any attempt to produce nuclear weapons on the Korean peninsula would seriously threaten security in Northeast Asia and the world.

Boris Yeltsin said that Russia is very much worried about the unresolved nuclear issue in this region and insists that the DPRK remain a complete signatory to the Nuclear Nonproliferation Treaty and completely fulfill its commitment on the safeguards accord which it had signed with the International Atomic Energy Agency [IAEA].

The ROK president supported Moscow's initiative on convening a multinational conference on achieving security and establishing a nuclear-free region on the Korean peninsula.

The Russian president thinks that unless a decision is made on convening this conference, it will be too early to talk about sanctions against North Korea. He pointed out the issue of imposing sanctions against Pyongyang may be raised only when the DPRK tries to withdraw from the Nuclear Nonproliferation Treaty.

Generally speaking, the two presidents highly assessed the high- level talks in Moscow.

Chernomyrdin in Germany on 'Private Visit'

LD0506144594 Moscow ITAR-TASS World Service in Russian 1419 GMT 5 Jun 94

[By ITAR-TASS correspondent Gennadiy Temnenkov]

[Text] Bonn, 5 Jun—Russian Prime Minister Viktor Chernomyrdin, who is expected in Germany today, will be staying here on a private visit. An official representative of the German Foreign Ministry told ITAR-TASS that no meetings or talks between V. Chernomyrdin and German leaders were envisaged. "It is purely a private visit."

Visit To Include Medical Examination

LD0506183194 Moscow ITAR-TASS World Service in Russian 1746 GMT 5 Jun 94

[Itar-Tass correspondent Gennadiy Temnenkov]

[Text] Bonn, 5 Jun—Russian Prime Minister Chernomyrdin arrived in Germany earlier today. An ITAR-TASS was told by a member of his entourage that during Chernomyrdin's 5-8 June private visit to Germany that he will have a medical examination.

A German foreign office official confirmed for ITAR-TASS that the Russian leader is on a private trip and has scheduled no meetings or talks with German leaders. "It is a purely private trip," the official stated.

To Receive Treatment for Kidney Stones

LD0606082094 Moscow 2x2 Television in Russian 0730 GMT 6 Jun 94

[Text] Viktor Chernomyrdin, chairman of the Russian Government, left for Germany on 5 June for a planned medical examination and to receive treatment for kidney stones. A source does not rule out that the prime minister will have another ultra-sound kidney stone operation. No official meetings or talks are envisaged during Chernomyrdin's stay in Germany.

Berlin Mayor Stops Russians Participating in Farewell Event

LD0406171694 Moscow Russian Television Network in Russian 1600 GMT 4 Jun 94

[From the "Vesti" newscast]

[Text] The governing mayor of Berlin has refused to give permission for a brigade of Russian forces to take part in the joint farewell parade of the allied forces, which is to be held on 18 June. His says his decision is based on the USSR-FRG Treaty, according to which representatives of the Berlin garrison of the Western Group of Forces can visit West Berlin only privately.

Moscow Optimistic for NATO Meeting in Istanbul

LD0306161994 Moscow INTERFAX in English 1446 GMT 3 Jun 94

[From the "Diplomatic Panorama" feature by Igor Porshnev, Vitaliy Trubetskoy and others; quotation marks as received]

[Text] Moscow hopes that in Istanbul next Friday NATO foreign ministers will give their reply to Russia's proposals concerning the practical implementation of the Partnership For Peace program. Interfax learned this today from Yuriy Ushakov, the director of the European Cooperation Department of Russia's Foreign Ministry.

The North-Atlantic Council for Cooperation will hold its routine session on the level of foreign ministers in Istanbul next Friday and Saturday. The session will be attended by the head of Russian diplomacy, Andrey Kozyrev. On Thursday the foreign ministers of NATO countries will have a conference there.

As Ushakov said, "Russia stands for strengthening the Council and for gradually transforming it into an independent agency for multilateral politico-military consultations connected with the CSCE."

According to him, at the session of the Council the foreign ministers will adopt a joint statement reflecting their attitude to the pressing issues of European and world politics.

In Istanbul we'll underscore our willingness to promptly begin to work out the possible agreement between Russia and NATO on the basis of suggestions [as received] Russia's Defence Minister, Pavel Grachev, outlined in Brussels on May 25," Ushakov said.

Greek Minister Hands Yeltsin Message From Papandreou

LD0306114894 Moscow ITAR-TASS World Service in Russian 0929 GMT 3 Jun 94

[Text] Moscow, 3 Jun (ITAR-TASS)—Russian President Boris Yeltsin today received Karolos Papoulias, representing the president of the European Union [Council] and Greek foreign minister, who conveyed a message from Greek Prime Minister Andreas Papandreou, who [currently] presides over the EU. According to the Russian president's press service, the message expresses the conviction that preparations for an agreement on Russia's partnership and cooperation with the EU will soon come to a successful conclusion, and the agreement could be signed during the meeting of the EU heads of state and government on the island of Corfu 24-25 June. A. Papandreou expressed hope that the Russian president might be able to sign the agreement.

Boris Yeltsin said that, if the agreement with the EU has been duly prepared by that time, he could attend the signing.

During the conversation, according to the Russian president's press service, several aspects of Russian-Greek relations were discussed.

Kolesnikov Talks With Syria on Military Cooperation

LD0606083994 Moscow ITAR-TASS in English 0823 GMT 6 Jun 94

[By ITAR-TASS correspondent Dmitriy Zelenin]

[Text] Beirut June 6 TASS—Russian Chief of Staff, Army General Mikhail Kolesnikov, on Sunday held talks in Damascus with his Syrian counterpart, General Hikmat al-Shihabi. According to officials, the two chiefs of staff discussed "cooperation between the Syrian and Russian armies in the interests of the two friendly countries". The sources said that high-ranking Syrian and Russian officers were present, but no other details of the talks were disclosed.

Mikhail Kolesnikov arrived in the Syrian capital on Sunday and is due to meet Syrian Defence Minister, Mustafa Talas on Monday. The visit was arranged in pursuance of the accords reached during the negotiations in Damascus in April with the Russian government delegation led by First Deputy Chairman of the Russian Government Oleg Soskovets.

Foreign Ministry Concerned by Israeli Attack on Lebanon

LD0306160094 Moscow ITAR-TASS World Service in Russian 1451 GMT 3 Jun 94

[By ITAR-TASS diplomatic correspondent]

[Text] Moscow, 3 June—Moscow is concerned about the latest outbreak of military actions in the zone adjacent to the Lebanese-Israeli frontier, a Foreign Ministry spokesman said here today.

He said that as a result of an Israeli aviation attack on a Hizballah base, there were many Lebanese casualties, and the territorial sovereignty of Lebanon had been violated. In turn, areas in northern Israel were subjected to dangerous fire.

"These alarming events cast a shadow over the continuation of Arab-Israeli dialogue and reconfirm the need for stepping up the comprehensive search for political solutions," the statement by the repesentative of the Russian diplomatic department said. "Only at the negotiating table can and should agreements be reached guaranteeing both the restoration of the territorial integrity of Lebanon and the mutual security of this state and Israel, and guaranteeing that there is no dangerous escalation of violence."

As co-sponsor of the Near East peace process, Russia calls upon all sides "to display maximum restraint and common sense and to be guided in their actions by the long-term interests of establishing a stable and just peace in the region."

Chinese Opting for 'Right To Material Prosperity'

PM0306165994 Moscow IZVESTIYA in Russian 4 Jun 94 p 3

[Vladimir Skosyrev report: "Three Minutes' Silence on Tienanmen Square. Five Years Ago Chinese Students Challenged the Party. And the Party Gave the Command: 'Fire'"]

[Excerpts] Beijing—No posters, rallies, or speeches. There must be no breach of the bans. At exactly 1200 hours on 4 June people will stand in silence for three minutes. That will be the most fitting means of honoring the memory of those who died on Tienanmen Square. [passage omitted]

Memories of the bloody internal strife are still alive. The Chinese have before their eyes another frightening image—the disintegrating USSR. References to the unsuccessful "Russian model" figure frequently in secret publications destined for career party officials and also in statements by pro-Beijing politicians in Hong Kong. For instance, one such politician, Chu Youling, claims that, had it not proved possible to put down the troublemakers on Tienanmen Square, China would have suffered Russia's fate.

"I realized that the speeches on Tienanmen Square were the fruit of student fervor and not of mature analysis," I was told by a young entrepreneur who five years ago was working as a reporter and was delighted to heed the calls to establish democracy in China. Since then he has changed dramatically, gone into business, and continually goes abroad. In his opinion, Deng Xiaoping's reforms, socialist in name but capitalist in essence, open up unlimited oportunities for the private sector to make money.

Whereas, before, university graduates went to work where they were assigned, now many people can choose for themselves well-paid jobs in joint enterprises or foreign firms. During meetings with foreign journalists these young people reiterate in the wake of official propaganda that the right to material prosperity is more important than all other human rights.

Nonetheless, the lessons of 1989 have not disappeared without trace. They primarily gave a huge number of people an opportunity to see the Communist Party in its true colors and showed that it is willing to spill blood when its monopoly on power is at stake. Second, the dissidents say, the glaring contradiction between liberal reforms in the economy and the preservation of the totalitarian political regime has become particularly obvious against the backdrop of those events.

People see corruption and are indignant that party mandarins in the localities are exploiting their absolute power and filling their pockets at the treasury's expense.

In the events of 1989 workers played a secondary role and peasants played none at all. Today they are less and less like an inert mass. Bribery and corruption among officials and conflicts over land are arousing peasant unrest in the provinces. Although overt forms of protest are prohibited by law, last year, according to the Ministry of Labor, there were 6,000 strikes and demonstrations by workers.

In the opinion of Xu Lianing, a 70-year old scientist who openly declares his differences with the government, social contradictions today are more acute than in 1989. If a slump begins in the economy, as happened in the late eighties, or overt struggle flares up in the party following Deng Xiaoping's retirement, renewed upheaval cannot be ruled out. There is no democratic mechanism in the country to ensure a smooth transfer of power.

Turkish General's Anti-Russian Remarks Questioned

LD0306173294 Moscow ITAR-TASS in English 1708 GMT 3 Jun 94

[Text] Moscow June 3 TASS—A spokesman for the Russian Foreign ministry protested today against anti-Russian statements of the Turkish military chief. Turkish media recently cited Gueres as saying that Russia is an even bigger threat to Turkey now than it was during the cold war. The general accused Moscow of expansionist desires in relation to the Caucasus region, Ukraine, and even the Balkan states.

Such statements "fundamentally contradict the agreement reached between the Russian and Turkish higher leadership that their relations have entered a new level of friendly partnership", the spokesman said on Friday.

He mentioned the many announcements made by Turkish President Suleyman Demirel, Prime Minister Tansu Ciller, and other Turkish leaders, which expressed satisfaction that Russian-Turkish relations have entered a new era and are now based on mutual interests and the spirit of cooperation.

"The Russian side would like to hope that the statements made by Gueres do not reflect the point of view of Turkey's political leadership, and Russia bases its policy on the assumption that Ankara is just as interested as Moscow is in the further development of Russian-Turkish relations and multilateral cooperation", the Foreign Ministry spokesman declared.

Dubinin Comments on Paris Debt Rescheduling Talks

LD0406184694 Moscow ITAR-TASS World Service in Russian 1640 GMT 4 Jun 94

[By ITAR-TASS correspondent Nikita Yermakov]

[Text] Paris, 4 Jun—An accord was reached here today with representatives of the 'Paris Club' of creditor states on rescheduling Russia's payment of $7 billion on its external debts this year.

Sergey Dubinin, Russia's acting minister of finances, said at a meeting with correspondents that the talks went on for two days and two nights, and ended this morning with the signing of an appropriate agreement. The rescheduling concerns the part of the basic capital and the interest on it that Russia was to have repaid this year. The $7 billion on which the accord was reached will be paid back later.

Russia has achieved advantageous conditions for the rescheduling of this part of the debt. The 'Paris Club' has granted a 3-year grace period, during which no demand will be made for the money and after which the sum will be repaid over 17 years. A favorable interest rate will be charged on this part of the consolidated debt.

The head of the Russian delegation drew attention in particular to the fact that the agreement with the 'Paris Club' opens the way to agreement with other creditors. Corresponding talks are to be held with the commercial banks, suppliers, and private banks which make up the 'London Club.' As a rule, agreements are concluded with these crditors on conditions comparable to the conditions of the 'Paris Club.' In total, it is a matter of a sum amounting to approximately $25-27 billion.

Last year an accord was reached with the 'Paris Club' on rescheduling payments on Russian external debts amounting to $15 billion, due in 1993. Sergey Dubinin stressed that Russia's fulfilment of the obligations it had undertaken on this agreement are inspiring trust in creditors who also understand Russia's economic difficulties and the efforts of its government to reduce inflation rates.

The total debt inherited by Russia from the the former Soviet Union amounts to $78-84 billion. The acting finance minister stressed that the servicing of debts taken on directly by the Russian Government since 1 January 1992 is on schedule. For the time being the draft state budget for the current year, which is being discussed by parliament, allocates $4.1 billion to debt repayment. Russia will realistically be able to pay its creditors after talks with them within the framework established by the law.

He said talks would take place in the fall on a general restructuring and consolidation of Russia's total external debt and on rescheduling forthcoming payments. To do this it is necessary to reach agreement on Russia's economic policy with experts of the International Monetary Fund. Afterward, the creditors will be able to hold talks on rescheduling the payments, as a result of which foreign debts will cease to pressurize the Russian economy.

Replying to a question by an ITAR-TASS correspondent, Sergey Dubinin stressed that Russia attaches great significance to participation in the upcoming meeting in Naples of the 'G-7'. We are expecting all its participants to confirm the policy of cooperation with Russia as defined last year in Tokyo, he said. No dramatic turns in this policy are proposed, he said, although a change in accent is possible in connection with the development of events in Russia. He noted the particular importance of attracting direct foreign investments to Russia which, alongside Russian capital investments, guarantee a way out of the crisis.

Soskovets To Visit Malaysia To Sign MiG Deal

LD0506085894 Moscow ITAR-TASS in English 0717 GMT 5 Jun 94

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow June 5—A government delegation led by First Vice-Premier Oleg Soskovets will fly to Malaysia for a two-day visit this afternoon. The main event of the coming trip is the signing of a contract on June 7 to sell Malaysia 18 Russian MiG-29 fighters.

The Russian delegation will discuss a package of bilateral economic issues with Malaysian Premier Mahathir Mohamed and his cabinet members in the Malaysian capital Kuala Lumpur. It is also planned that the delegation will be received by the Malaysian supreme head of state.

ITAR-TASS learnt at the Russian Government's office that the above-mentioned contract has been agreed upon. It is worth 615 million U.S. dollars. According to Malaysian representatives, 20- 25 per cent of the sum will be paid with palm oil, necessary for various industries.

The first fighter will be delivered next April. The implementation of the entire project is planned for a 25-year period and provides for creating infrastructure in Malaysia, necessary for the operation of MiG fighters.

The two countries plan to build in Malaysia a technical centre to service aircraft.

Navy Chiefs Comment on Dividing Fleet

PM0306175394 Moscow KRASNAYA ZVEZDA in Russian 4 Jun 94 p 2

[Vladimir Pasyakin report featuring interview with Admiral Gromov, commander in chief of the Russian Navy; date not given: "We Are Dividing Up the Black Sea Fleet Piecemeal. Groups of Russian and Ukrainian Military Experts Are at Work in Sevastopol"]

[Text] Sevastopol—Our correspondent met with Admiral Feliks Gromov, commander in chief of the Russian Navy, the head of the Russian experts.

[Gromov] The group of experts is involved in assessing the status of the fleet's forces, primarily the seagoing hardware [plavsredstva] which is to be divided up. The parameters for this division are being determined and a list is being drawn up of names of the ships and vessels that will go, in time, to the Russian Fleet and to the Ukrainian Navy. It is a painstaking job. It is necessary to look into every ship, every piece of hardware. The groups' experts have different viewpoints on some issues. And it is by no means simple to find a common language. But we are acting on the basis of the official accords that have already been secured during the previous meetings of the heads of state and defense ministers. No new accords are envisaged. The status of the ship "pool" is being assessed.

[Pasyakin] Feliks Nikolayevich, there was a report that the Russian and Ukrainian delegations would be led by Yuriy Dubinin, Russian Foreign Ministry ambassador at large, and Ukrainian Vice Premier Valeriy Shmarov. However, they have not come. Why?

[Gromov] There was no full accord to the effect that the delegations would comprise precisely these members. There was an accord regarding the work of the groups of experts. I came in order to direct the Russian group. As for Valeriy Nikolayevich Shmarov, as a representative of the Ukrainian government he has expressed a desire to familiarize himself with certain fleet installations that may go to the Ukrainian side. We considered this normal and possible. If he comes to the fleet and wants to familiarize himself with certain facilities, we will show them to him.

[Pasyakin] The officers, ensigns, and employees of the Crimean Naval Base sent an open letter to you. It asked you not to allow it to be handed over to the Ukrainian naval forces. "If that happens," the letter says, "over 7,000 officers and ensigns and family members will be left without the means of existence and will be forced to leave their homes." What do you think of that?

[Gromov] I understand people's concern and disquiet, the position in which they find themselves. Where possible we will take this request into consideration. But I think that this letter is somewhat premature. Why? Because the division of a fleet is a lengthy process. And it does not mean that if some decision is adopted today, say, it will be implemented tomorrow. But the main thing that we will strive to do is not to harm people, not to harm the fleet and its combat capability.... [Gromov ends]

Before my meeting with the commander in chief of the Russian Navy I asked Rear Admiral Aleksey Ryzhenko, first deputy commander and chief of staff of the Ukrainian Navy, how the joint work of the Russian and Ukrainian military experts was going.

"We will follow the list of ships and vessels and divide them up fifty-fifty; then the Ukrainian side will sell Russia a number previously agreed. The groups of experts are expected to be at work for around a week."

A Ukrainian delegation led by Boris Tarasyuk, who is, as we know, conducting the talks with the Russian side, arrived in Sevastopol 3 June. The delegation included Ukrainian Vice Premier Valeriy Shmarov and Colonel General Ivan Bizhan, Ukrainian first deputy defense minister. The Ukrainian delegation had a meeting with Adm. Feliks Gromov, commander in chief of the Russian Navy. Yuriy Dubinin has not arrived in Sevastopol. The delegations look unequal. The talks seem to have become deadlocked.

Needless to say, we should not expect a rapid practical solution to the question of the division of the Black Sea Fleet. Ukraine benefits from that, since Russia is effectively maintaining the entire fleet on its own and thus the Ukrainian part of it as well. Moreover certain politicians are in no hurry to close the question of the Black Sea Fleet, since they have by no means "squeezed" all the possible political "dividends" from it. The men are being patient. But this patience is not infinite. Do the politicians realize that?

Kozyrev on 'Concern' at Kazakh Delay Over Accords

LD0306140094 Moscow ITAR-TASS in English 1314 GMT 3 Jun 94

[By ITAR-TASS diplomatic correspondent Aleksandr Krylovich]

[Text] Moscow June 3 TASS— Russian and Kazakh Foreign Ministers Andrey Kozyrev and Kanat Saudabayev who held talks in Moscow on Friday, concentrated on how to speed up the implementation of agreements reached by the Russian and Kazakh presidents, including the citizenship issue.

Saudabayev, who was appointed to this post last April, visits Moscow in this capacity for the first time.

According to the Russian foreign minister, the implementation of agreements reached during Kazakh President Nursultan Nazarbayev's visit to Russia last March has been unjustifiably delayed, which provokes "some concern".

ITAR-TASS learnt from reliable sources that the matter in question is deepening and specification of 20 agreements.

The main of them are the treaty of deepening economic cooperation, the treaty of military cooperation, the agreement on terms of using and leasing the Baykonur Cosmodrome as well as the memorandum on the basic principles questions on citizenship and legal status of Russian and Kazakh citizens.

The sides will also have to prepare the first official visit to Kazakhstan by Russian President Boris Yeltsin. According to information received by ITAR-TASS, its specific period has not been set and will be discussed "at a diplomatic level".

On Thursday, the Kazakh side handed over several draft documents on which work will be conducted, taking into account results of the present ministerial meeting. These documents include a draft agreement on a legal status of citizens which is of special concern for the Russian side.

The Russian side received on Friday draft agreements on simplified procedure of obtaining citizenship, procedure of military service and cooperation on labour migration. A working group set up today will be occupied with their final wording.

In the opinion of a high-ranking official of the Russian Foreign Ministry, the present exchange of opinions "will enable the two sides to remove dissatisfaction caused by the insufficiently quick implementation of the understandings between the presidents".

Kazimirov Cited on Karabakh Peace Plan

NC0406104394 Istanbul HURRIYET in Turkish 31 May 94 p 10

[Report by Nerdun Hacioglu: "Russia Moves Silently and Effectively on the Karabakh Dispute"]

[Text] Russia is silently moving to put into effect its peace plan on the Daghlyk Karabakh dispute, a plan that has created a very difficult situation for the Aliyev government in Azerbaijan. Vladimir Kazimirov, President Boris Yeltsin's special envoy, has said that the initiative Russia has launched to resolve the Karabakh dispute has not ended and that the talks on the matter are being maintained without publicity.

In an exclusive statement to HURRIYET, Kazimirov disclosed the most recent diplomatic initiatives on Daghlyk Karabakh. Stressing that the peace plan for Karabakh, which the sides failed to sign at the last moment after putting forward several reservations two weeks ago, is still on the agenda, Kazimirov asserted: "Compared with the crisis in Bosnia, the dispute on Karabakh is an older problem and has deeper roots. We are maintaining our initiatives. However, we do not expect to find a quick solution."

Contacts With Aliyev

Kazimirov stressed that he confers with President Geydar Aliyev and President Levon Ter-Petrosyan by telephone every day. He noted: "Russia's peace proposals will be accepted sooner or later. No other way exists to resolve the dispute. The Armenian and the Azerbaijani officials urge Russia to support them. However, complying with their requests is impossible. Considering the occupation of a part of Azerbaijan's territory, Turkey may view the matter in a different way. However, as far as we are concerned, no side can win or lose in the war on Karabakh. Both sides have to make significant concessions for the solution of the problem. The peace plan will be successful when they become mature enough to agree to make concessions."

Turkey Must Not Worry

Referring to the Russia's intention to deploy its peacekeeping forces in the region, Kazimirov said that Turkey must not be worried by Moscow's approach. He asserted: "We have been proposing the deployment of peacekeeping forces for the past year. Russia is the only country that has agreed to deploy troops in that region without delay. No other CSCE country has agreed to do so. It is true that Turkey has offered to send troops. However, Armenia has objected to that proposal. We should not be blamed for that. The deployment of the Turkish military units would have facilitated our work. Considering all that, I want to suggest that Turkey must not be worried by the idea that Russia will occupy Karabakh by deploying its troops in that region.

Recalling that Turkey refrained from adopting a negative approach on Russia's latest proposals for peace, Kazimirov said: "I am aware of the message President Suleyman Demirel has conveyed to President Boris Yeltsin on the Karabakh dispute. The message was received two months ago. I have recently held talks with the Turkish ambassador in Moscow. We were not informed of Ankara's official objection on the Karabakh dispute."

Why Involve Military Forces?

Kazimirov explained why a prominent role has been given to the generals in the peace talks, particularly to Defense Minister Pavel Grachev. He said: "The first stage of the peace plan includes several military issues. The separation of the warring sides, deployment of observers, and adoption of measures against the side that violates the cease-fire are military matters. That is why Grachev should be on the scene. Naturally, the diplomats will take over when the first stage of the plan is realized."

The Aliyev-Ter-Petrosyan Summit

Kazimirov said that an effort is being made for a meeting between President Aliyev and President Ter-Petrosyan to sign the agreement which has been drawn up by the defense ministers of the three sides. He asserted: "Predicting the exact date of that summit is impossible. However, we believe that the silence on the matter will be broken and the Armenian and Azerbaijani leaders will hold a summit soon."

Yeltsin Envoy Continues Karabakh Consultations

LD0506142294 Moscow INTERFAX in English 1220 GMT 5 Jun 94

[Text] Russian president's envoy on the matters associated with the settlement in Nagorno Karabakh, Vladimir Kazimirov, left on Saturday night Baku for Yerevan where he will continue the talks he started in the Azeri capital on the materialization of the Russian plan for settlement of the Armenian-Azeri conflict.

It's a matter of removing obstacles on the way for the signing of a military-technical protocol and a larger political agreement, said Kazimirov in an interview to Interfax in Baku.

He believes that each side of the conflict has its own proposals for the Russian settlement plan and now it is necessary to draw closer the positions. Kazimirov said that Baku urges for the earliest withdrawal of the Armenian forces from the Azeri territories they occupied. For its part, the Armenian side insists on the beginning of the negotiations on the status of Nagorno Karabakh.

Kazimirov is expected to return to Baku from Yerevan.

The three-stage plan for the settlement of the Karabakh conflict envisages the establishment of a lasting cease-fire, the withdrawal of the troops from the occupied territories, the exchange of POWs, hostages, the remains of the killed, the resumption of operation of transport and energy communications, the return of the refugees and political talks on the future legal status of Nagorno Karabakh.

Georgia Claims Russian Forces Transferred to Abkhazia

LD0606084794 Moscow Radiostantsiya Ekho Moskvy in Russian 0800 GMT 6 Jun 94

[Text] The following scandalous statement came from Tbilisi today:

[Correspondent] The transfer of Russian peacekeeping forces to take up stations in the Abkhazian conflict zone began today. Journalists were told this by the head of the Georgian delegation at the Abkhazian-Georgian talks, Dzhaba Ioseliani. He stressed the leadership of the Georgian Defense Ministry, and in particular the first deputy Russian Defense Minister [Colonel-General Georgiy] Kondratyev, guarantee the complete safety of refugees returning to Abkhazia. He also noted that Russian peace-keeping forces will be active observers of the ongoing processes and will actively participate in them. They are very resolute and will take the appropriate measures against any forces which try to disrupt the agreement achieved.

[Announcer] The statement by Dzhaba Ioseliani on the introduction of Russian troops to the conflict zone was commented on by Petr Shirshov, chairman of the Russian Federation Council's Defense Committee, at the request of our radio station.

[Begin Shirshov recording] Unfortunately I did not hear Mr. Shevardnadze's official statement and statements by other officials of the soveriegn state of Georgia. Nevertheless I do not understand, if this is actually true that the introduction of troops between the sides in conflict, between Georgia and Abkhazia, has begun today, then this violates the constitution of the Russian Federation, no matter who made the decision, no matter which top Russian officials.

I want to stress that Article 102 of the Constitution, Part 4, Point G, says that the agreement to the introduction of Russian Armed Forces outside the Russian state can be given only by the Federation Council. [end recording]

Kozyrev on 'Gap' in Russian-Kazakh Relations

LD0306175994 Moscow INTERFAX in English 1603 GMT 3 Jun 94

[Text] In relations between Russia and Kazakhstan there is a "gap" between the degree of mutual understanding on the highest level and its practical implementation, said Russia's Foreign Minister, Andrey Kozyrev, at talks with his Kazakh counterpart, Kanat Saudabayev, in Moscow on Friday.

He said "when practical work begins, even the existing agreements, let alone the notion of a Eurasian union, fail to work well."

"Back in January we submitted to Kazakhstan our ideas concerning citizenship, but received a reply only yesterday, that is six months later. The two presidents must evidently punish us for this," Kozyrev said.

There are also other problems requiring solutions, such as the issues of the Baykonur launch site and missile silos. "Can't we resolve them without third parties?" he asked.

When the talks ended, Kozyrev's political adviser Galina Sidorova told journalists that Kozyrev and Saudabayev had focused on ways to bridge the "gap" mentioned by the Russian foreign minister, and translate the existing agreements into practical deeds.

Sidorova said the two sides had formed a joint working group which will engage in drafting documents that would develop bilateral agreements reached on the highest level.

During the recent visit to Moscow of President Nursultan Nazarbayev the two sides signed on twenty agreements, including a treaty on furthering economic cooperation, accords on military cooperation, an agreement on the use and lease of the Baykonur launch site, and a memorandum on the basic principles of resolving problems connected with citizenship and with the legal status of Russian and Kazakh citizens, she said.

On the eve of talks between Kozyrev and Saudabayev Kazakhstan submitted to Moscow a draft agreement on the legal status of citizens, Sidorova pointed out. "Russia is particularly concerned over this issue. It stands for a unified and indivisible Kazakhstan, but it would like the Kazakh leaders to find a common language with their Russian-speaking population which numbers millions," she stressed.

Sidorova said Kazakhstan also submitted a draft agreement on simplifying the procedure of acquiring citizenship, on the order of military service and on cooperation in the field of labor migration. "These agreements directly concern the problem of human rights. We hope that they will help ease our mutual concern and dissatisfaction caused by the fact that understandings reached on the highest level are not carried out quickly and effectively enough," she said.

Political Issues

Yeltsin, Gaydar Discuss Political Scene

LD0606094694 Moscow ITAR-TASS in English 0928 GMT 6 Jun 94

[Text] Moscow June 6 ITAR-TASS—Russian President Boris Yeltsin on Monday met Yegor Gaydar in the Kremlin to discuss the political situation and the alignment of political forces in the country, the presidential press service announced.

The former head of the government under President Yeltsin informed the president about the preparations for the formal establishment of a new political party under his leadership, Russia's Choice.

Premier, Moscow Mayor Rivalry Viewed

MK0406110094 Moscow NEZAVISIMAYA GAZETA in Russian 4 Jun 94 p 1

[Nikita Gololobov report in the "Power" column: "The Battle of Giants in the Capital. Rivalry Between Russia's Premier and Moscow's Mayor Grows More Acute"]

[Text] The rivalry between the clans of Viktor Chernomyrdin and Yuriy Luzhkov, which has until recently proceeded "under the carpet," has now, as analysts predicted, come out into the open, with appeals to the president and the enlisting of the prosecutor's office, the press, and electronic media.

The rivalry has been simmering for a long time. Yuriy Luzhkov and the Moscow government, unhappy over their share of revenues from the privatization of enterprises according to federal laws and over what they see as infringement of the Moscow administration's powers, have sharply attacked "Chubays-style" privatization. Furthermore, Yuriy Luzhkov has sought and obtained from Boris Yeltsin a special status for Moscow and its government. Federal government resolutions have virtually no effect on the territory of the capital, and it has been accorded substantial tax breaks.

The nature of the Moscow mayor's influence on the president is evident: Boris Yeltsin's political and power support is based mainly in the capital, and the Kremlin, as is known, is also located in Moscow.

Seeing such a strengthening of his rival's positions, the government chairman, unhappy with the special status of the Moscow "baron," as a warning to other regions supported Anatoliy Chubays in his duel with Yuriy Luzhkov. In response, several Moscow papers ran publications about Viktor Chernomyrdin's close associate, Oleg Soskovets, accusing the latter of corruption in privatizing the Novosibirsk tin plant and other metallurgical enterprises. Viktor Chernomyrdin, for his part, organized an inspection of Most-bank's performance, which began in early May. The prosecutor's office has already started examination of the letter by Vice Premier Anatoliy Chubays alleging gross violations of privatization laws by the mayor and the Moscow city government. Yuriy Luzhkov took countermeasures. According to information in our possession, before the premier went on a two-week vacation, Luzhkov had a "no-holds-barred" conversation with him. It is not ruled out that prior to that he had enlisted the president's support.

What matters here, however, are not privatization methods. Yuriy Luzhkov, just like all representatives of regional elites, is unhappy with at least two features of the "Chubays-style" privatization. First, as a result of enterprises and factories being sold off, they lose control of a substantial part of real estate located on their territory without getting anything in exchange. Second, privatization of large enterprises will lead to a change in the traditional methods of management and possibly provoke discontent among the population which has not yet become accustomed to its fate being decided by a private owner.

The Kremlin seems to be watching with satisfaction the mutual weakening of these two powerful groupings and the discrediting of their leaders.

In this situation, politicians conduct themselves differently.

Vice Premier Sergey Shakhray, as an experienced politician, calculating various options for a long term, has recently sought not to mar relations with the Yuriy Luzhkov group in order to retain his political positions in the event of Viktor Chernomyrdin's resignation.

Yuriy Skokov, Russian Commodity Producers Federation chairman, who, according to many observers, is the main candidate for the post of premier—if it is vacated—retaining the reputation as a man unblemished in the process popularly stigmatized as "piratization" ["prikhvatizatsiya"], is trying to avoid any intriguing either against Viktor Chernomyrdin or Yuriy Luzhkov.

It is not ruled out that the first results of the "battle of giants" will not be long in coming. According to a source in the Moscow mayoral entourage, we shall learn about some serious cadre reshuffles before Viktor Chernomyrdin returns from his vacation.

President's Staff See Luzhkov as Next 'Master'

MK0406081094 Moscow NEZAVISIMAYA GAZETA in Russian 4 Jun 94 p 1

["NG" report under the "In Brief" rubric: "President Surrenders Positions?"]

[Text] As is supposed, Anatoliy Chubays' fate will be decided in the next few days. Rather conducive to this also is the premier's vacations that he took to save face, and the temporary premiership of Oleg Soskovets, who has never been seen as being fond of Mr. Chubays, while being closely tied to Mr. Luzhkov. The latter's victory must among other things mean the end of privatization a la Chubays. One should not, however, forget that this privatization was publicly approved by Boris Yeltsin at one time. Thus, Luzhkov's victory over Chubays is first and foremost a blow at the president and a demonstration of the Moscow mayor's absolute power.

A NEZAVISIMAYA GAZETA correspondent heard all of the above from a reliable source in the president's staff whose members have been of late shedding their loyalty to their present boss and pondering on who is going to be their next master. In their opinion, the greatest chances belong to the one who is now governing Russia's capital in a tough way.

Rutskoy, Others To Establish 'Democratic Center'

LD0406183994 Moscow Radiostantsiya Ekho Moskvy in Russian 1800 GMT 4 Jun 94

[Text] Regional branches of the Democratic Party of Russia, the Party of Russian Unity and Accord, the Social Democratic Party, and the Social Democratic People's Party of Aleksandr Rutskoy are hoping to set up a united democratic center in Moscow. This issue was tackled today by the steering committee of the united center.

Ilya Roytman, one of the center's organizers, said that the center will become a coordinating body, able to identify and support united democratic candidates in the run-up to the next election.

Agrarian Party Fails To See Rutskoy as Candidate

LD0506144894 Moscow INTERFAX in English 1220 GMT 5 Jun 94

[Text] Russia's Agrarian Party fails to see Aleksandr Rutskoy as the united left's candidate in the upcoming presidential race.

The party's leader Mikhail Lapshin would not place his bet on Rutskoy even though Rutskoy was in charge of the land reform and, more than any other member of the Yeltsin Administration, took to heart the needs and concerns of rural Russia.

Lapshin told Interfax the party's Council was yet to decide who deserved the Agrarians' backing.

According to Lapshin, both Rutskoy and his Social-Democratic party had to travel a long way before emerging as the leading opposition force. Instead of searching for a presidential candidate, Lapshin said, the opposition had better bring together forces and launch a wide propagandistic and educational campaign. The opposition leader, according to Lapshin, would appear when his time came.

Rutskoy Begins Election 'Marathon' in Kursk

LD0306211694 Moscow ITAR-TASS in English 2027 GMT 3 Jun 94

[By ITAR-TASS correspondent Serafim Bykhun]

[Text] Kursk June 3 TASS—Former Vice-President Aleksandr Rutskoy arrived in the Kursk region. Kursk residents learned about his arrival beforehand. Local reports said that Rutskoy intends to visit Kursk to see his mother who will be celebrating her birthday.

However, Rutskoy is not the kind of a man to restrict his visit by ties of kinship only. The first thing he did upon arrival was to meet workers of the "Khimvolokno" joint stock society, which was followed by a series of other meetings, prompting his political opponents to declare that Rutskoy has begun his "election marathon".

Talking to his fellow countrymen, Rutskoy declared that he had not betrayed the president. "I have been and continue to defend the interests of the people who were driven to poverty." he said.

In Rutskoy's opinion, the Constitution, parliament and power in the country are invalid, since no one repealed a decision of the Constitutional Court, a law on a referendum and a law on elections and a resolution adopted by the Congress of Russian People's Deputies.

When asked about the former socialist system in the Soviet Union, Rutskoy said directly that "what was called socialism in this country was not socialism at all. We must cast aside all 'ism' suffixes and look for another way," he said.

Rutskoy unveiled his plans which were already outlined in appeals circulated before the beginning of his meetings with the people. He said that at first, it is necessary to unite all social-patriotic forces of the "Derzhava" movement in order to be well-prepared for the forthcoming presidential elections and etc.

In conclusion, Rutskoy promised to create civilized society and guarantee life worthy of every citizen if the Derzhava movement won the forthcoming elections. However, Rutskoy never mentioned that he intends to run for the presidency.

Rutskoy, Zyuganov Address 'Accord' Movement

PM0306111294 Moscow SOVETSKAYA ROSSIYA in Russian 31 May 94 p 2

[Unattributed feature on first session of National Council of Accord for Russia Movement in Moscow 28 May, incorporating accounts of speeches by State Duma Deputy Sergey Glazyev, Federal Assembly Deputy Petr Romanov, Social Democratic People's Party Chairman Aleksandr Rutskoy, and Communist Party of the Russian Federation leader Gennadiy Zyuganov, under the general heading "Russia Should Once Again Believe in

Itself: Broad Patriotic Movement's National Council Has Taken Place in Moscow. The Fatherland. Morality. Professionalism"]

[Text] Aleksandr Rutskoy, former Russian vice president, chairman of the Social Democratic People's Party, and hero of the Soviet Union:

"New Russians" Are West's Fifth Column

Before it is too late we must explain to people and make the masses conscious of the fact that as a result of the bloody slaughter in Moscow and the dissolution and bombardment of the supreme constitutional organs of power, **an antipeople police regime has been established in the country, whose basic levers of control are force and disinformation**. We have an obligation to explain unambiguously to society what we can expect in the future from the antipeople regime which has taken under its wing a tyrannical clan of power-seekers, unprincipled political posers, and skilled adventurists who are selling Russia lock, stock, and barrel.... The class of so-called "new Russians," comprising representatives of the most well-off strata of society who have managed to grow fantastically rich by plundering the country and redistributing material wealth and resources, has formed and established itself.... **The "new Russians" are those mafia clans which are ruling the country, the corrupt bureaucrats who serve their political, ideological, and social interests, the section of the intelligentsia which has sold out to the the regime, and the criminal world....** We have every right to claim that the regime which has become established in the country is serving the interests of Western powers, international financial circles, and their fifth column in Russia—the "new Russians".... Even the destruction of the country's industrial potential caused by the bloody war with fascist Germany cannot be compared to the damage which the enthusiastic reformers have inflicted at the behest of their Western sponsors. According to many indicators, the level of the country's economy and the population's standard of living has fallen twice as much as during the four years of the war.... If such a policy is continued, Russia may in the very near future come up against mass unemployment for the first time in 75 years, which in some regions may affect up to 30 percent of the working population. In such circumstances a social explosion will become inevitable....

Today you cannot help but broach the subject expressed by the slogan: **"Let's live in harmony."** Suffering from an ill-concealed inferiority complex after the coup d'etat and the failure of December's electoral farce, the regime decided to pin the blame on everybody and cover their wound with the fig leaf of the "Social Accord Treaty." This would have been funny had it not been so sad. Because for a head of state to sign a treaty with heads of administration and a government whom he himself had appointed and to attempt to negotiate an agreement with social and political organizations on a series of self-evident issues, which are incidentally regulated by law, is no more than a display, a farce, whose tragic finale is known in advance. But the treaty appeared. Everybody has now finally seen who is who. The alignment of socio-political forces has become precise and clear. Those supporting the antipeople police regime lifted the veil themselves and shattered the various myths surrounding left-wingers, right-wingers, and centrists supposedly representing the opposition. Now everything has fallen into place, now even a political novice can grasp who is on whose side and who is against whom or what. Fortunately, the myth about "centrism," which confused the public consciousness, has also been shattered. Today everyone has begun to understand that Russia lacks a social base for refined centrist policies, since its basis—the middle class—does not exist. What kind of pure "centrism" can we be talking about when during three years of "reforms" the most fundamental social and property-based stratification of the people has taken place? What kind of centrism can there be when 3 percent of people in the country are rich, 7 percent are moderately well-off, 50 percent are poor, and 40 percent are destitute?

Today there is a struggle in progress between two parties: the party of national betrayal which is in power, and the national opposition party which is defending the people's and the state's interests, and comprises both left-wingers and right-wingers, who are nevertheless united about one thing—love for their Homeland and serving their people patriotically.

...It is necessary to state in a precise and clear manner the movement's strategic aim which is as follows and cannot be otherwise: to come to power and implement a series of measures to restore order, revive the economy, and reestablish the country's unity within the borders of the Soviet Union. The route to achieving this is based on victory in the elections. Therefore, we should unambiguously state that we demand that early elections of the Russian Federation president should be held.... A government in opposition should be formed and proclaimed at the assembly, and candidacies for all positions in the state administration nominated right down to regional level.

In conclusion I would like to point out that if we form a line, a scrimmage, in the struggle for power, we can only expect defeat. We should act as a united front, forget all squabbles, rows, disputes, and insults. We do not have all that much time left. It is time to put a stop to unprincipled behavior, spinelessness, and compromise. **Either we, having once genuinely united, resolve the issue of power and save the country**, or we will be crushed by the approaching colonial democracy and orgy of crime, and the next of the regime's proteges will get into office under the cover of the political hullabaloo.

Gennadiy Zyuganov, deputy of the State Duma and leader of the Communist Party of the Russian Federation:

Repeal the Criminal Belovezhskaya Deal!

What does the present state power actually represent? It is the power of a parasitic minority over the vast majority of the people. The dominion of a handful of people, linked by a network of mutual support and rich from plundering public property, is becoming more and more firmly established in Russia. As plunder and thieving on a wide scale have become possible with the permission and encouragement of the present authorities, they themselves are becoming criminal and are turning corruption into an ordinary everyday phenomenon. The support of Western capital is turning the Russian authorities into an exclusively comprador, anti-people force....

The second Russian conference of the Communist Party of the Russian Federation, which took place in April of this year, came to the conclusion that this regime has no constitutional and legal basis whatsoever, and is one of the main sources of civil confrontation and a serious obstacle on the path to social accord. The conference drew up a series of general democratic measures in the area of politics aimed at overcoming the present situation by peaceful means, and I think that the "Accord for Russia" movement could use these proposals of ours as a basis.

The preparation of proposals for the creation of a government of national confidence is the most important part of our work and should be commenced immediately. The names of the candidates for such a government should be published and its members' work should be organized with a view to studying the situation in the appropriate areas of public life, with appearances in the press and on television. A detailed program should be produced and highly professional managers selected. On the basis of the election results, such a shadow government could be transformed into an actual government of national confidence....

Preparations for a presidential election should run alongside those for the general elections. Here "Accord for Russia" should clearly direct its attention to forming a kind of state council of its most authoritative leaders. In the event of a presidential election being called, it would be possible to nominate one or two agreed candidacies from among them, which need not be advertised before the election is announced. Opposition candidates for the post of president could make a general statement to the effect that the presidency as a state institution contradicts Russia's historical practice and traditions. One of the new president's first actions should be to make an amendment to the Constitution abolishing the institution of the presidency and restoring genuine people's power in the form of the unified system of soviets of people's deputies....

The struggle to recreate a renewed Union of the Soviet peoples on a voluntary basis will be an inseparable part of the "Accord for Russia" organizations' activities. The most important action here would be for the parliaments of all states formed on the USSR's territory to denounce the Belovezhskaya agreements. The first public step in this direction could be the adoption by the second congress of USSR peoples of the general idea of resurrecting the Union, and the holding of a meeting in Belovezhskaya Forest in December 1994 involving representatives of all the Soviet republics' patriotic forces, who will declare in the name of their peoples that the criminal agreement between the three presidents has been repealed.

Rutskoy Blames Yeltsin for Country's Ills

LD0306122494 Moscow Radio Rossii Network in Russian 1000 GMT 3 Jun 94

[Text] We have a fragment of an interview between our Kursk correspondent Natalya Zhurba and Aleksandr Rutskoy:

[Begin recording] [Rutskoy] People want to know the truth because the media lie and distort everything I say and the positions that I defend. We shall see who was right, history will judge us. As long as Yeltsin is president there will be no positive changes in the country. Because this is all his fault - the destruction of that great power, the Soviet Union, and the destruction of the country's economy. All this is his doing—the poverty, refugees, local conflicts, bloodshed.

[Zhurba] But at that time you were there by his side.

[Rutskoy] I was with him for six months only. After he signed the CIS treaty we were no longer together. I stated my position on this clearly and defended it until the Supreme Soviet was gunned down. And I am still defending my positions and will never change them.

[Zhurba] Do you see yourself as a leader who, on becoming president, could change the course and the policy of the state and make our state richer and people's living standards better?

[Rutskoy] It is the people who should judge me, Yeltsin and others. The people should choose their leader. [end recording]

Nevertheless, the last word will be said by those who do not just listen to Aleksandr Rutskoy, but sometimes see him on the television screen calling on all the healthy, strong men and urging them to storm this building or that building.

Opposition To Hold Rally in Moscow 12 Jun

LD0306175194 Moscow INTERFAX in English 1603 GMT 3 Jun 94

[Text] The Moscow government has granted permission to several opposition organizations to hold a rally and a march in the center of Moscow on June 12 (the anniversary of the adoption of the declaration of state sovereignty of the Russian Federation.).

The rally is allowed gather about 40,000 people.

Its slogan will be, "To preserve Russia—to restore the Union!"

The rally has been initiated by the National Salvation Front (led by Ilya Konstantinov), the Russian Communist Workers Party and the Working Russia movement (led by Vladimir Anpilov), the Rebirth Liberal Patriotic Party (led by Valeriy Skurlatov), the Russian Communist Union (led by Aleksey Prigarin), the All Union Bolshevik Communist Party (led by Nina Andreyeva), the Officers Union (led by Stanislav Terekhov), the so-called USSR People's Deputies Congress Permanent Presidium (chaired by Sazhi Umalatova) and other opposition organizations.

The initiators were warned against violation of public order and reminded of their personal responsibility for this.

Charges Against Opposition Leaders Dropped

LD0306160594 Moscow INTERFAX in English 1320 GMT 3 Jun 94

[Text] The Moscow prosecutor's office adopted a resolution dropping all charges against the opposition leaders who spoke at the May 9 meeting in Moscow in accordance with Article 70 of the Russian Criminal Code (appeals for violent change of the constitutional system).

Moscow's deputy prosecutor Yuriy Andreyechev reported to Interfax that investigators had found prosecutable crimes in the statements of, in particular, former vice president Aleksandr Rutskoy, and the leaders of Labor Russia Viktor Anpilov and of the National Salvation Front Iliya Konstantinov.

At the May 9 meeting in Moscow Rutskoy called for a marking of the 50th anniversary of the victory over Nazi Germany with a victory over Yeltsin's "anti-popular regime." Rutskoy said in the prosecutor's office that he did not mean a coercive overthrow of the existing government but called to fight for power by constitutional methods.

Tatar Accord Seen as Model for Stabilization

PM0306140594 Moscow ROSSIYSKAYA GAZETA in Russian 3 Jun 94 First Edition p 2

[ITAR-TASS commentator Tamara Zamyatina article for ROSSIYSKAYA GAZETA: "Russia-Tatarstan Treaty: Key to Political Stabilization"]

[Text] The Russian president's two-day trip to Tatarstan confirmed that both the center and the components of the Federation have become convinced that the country's people can only live a humane life within an integral state. Otherwise the alternative is civil and political confrontation, unresolved socioeconomic problems, and hence national enmity. Conflicts and impoverishment, which are well known from the bitter examples of Chechnya, Karabakh, and Abkhazia.

Farsighted politicians such as Tatarstan's president, Mintimer Shaymiyev, have also realized that talk of separatism and national independence helped them to come to power but not to remain at the helm, since you cannot feed the people or boost the economy on political ambition.

It is customary to think that the bilateral treaty between Russia and Tatarstan concluded 15 February this year has brought stability to life in Tatarstan. However, I think that the treaty was the consequence of conscious necessity and not a panacea for separatism.

The economy of Tatarstan, as you know, rests on three basic things—automobile building, military-industrial complex enterprises, and the agrarian sector. It was not only First Vice Premier Oleg Soskovets but also the Tatarstan leadership who stressed during Boris Yeltsin's trip that without Russian Government aid the republic would not have managed to refurbish the KamAZ plant, particularly after last year's fire in the engine plant.

And the subsequent development of the automobile giant would have been in jeopardy without the 47 billion rubles [R] in credit given to KamAZ on the eve of the Russian president's arrival, without the enterprise's being exempted from profits and value-added tax until the end of the year, and without Russian Government guarantees in return for which the Japanese, inter alia, are giving KamAZ $400 million in credit.

Need one say that the military-industrial complex plants undergoing conversion in Tatarstan would have long since closed down without financial injections from the federal budget.

As for the agrarian sector, according to Fatikh Sibagatullin, the republic's agriculture minister, since the beginning of the year alone, R80 billion have been paid out of state coffers to meet the sector's requirements, and in June Vice Premier Aleksandr Zaveryukha promised another R35 billion. During a conversation with your ITAR-TASS commentator, Tatarstan President Mintimer Shaymiyev also acknowledged that the republic's agro-industrial complex cannot develop without budget subsidies.

However, Mintimer Shaymiyev in his mild oriental manner persuaded Boris Yeltsin of the advisability of an "experiment," which boils down to Tatarstan implementing "reforms with a human face." Thus, low food prices are being retained in Tatarstan, and privatization is proceeding at a far more restrained pace than in other regions.

At the same time Tatarstan is paying 5-6 percent of the 20 percent in taxes to the state treasury stipulated in the bilateral treaty, Vadim Pechenev, deputy head of the Russian President's Staff Administration for Work with the Territories, and Emil Pain, an expert in the head of state's staff, calculated. As a result, since the beginning of the year alone Tatarstan's debts to Russia have amounted to R43 billion (a figure cited by Boris Yeltsin in an interview with an ITAR-TASS commentator), while the total is around R2 trillion.

In order not to hurt the Tatarstan leader's feelings too much, the Russian president told journalists that the republic's debts are the result of the universal problem of payment defaults and Mintimer Shaymiyev has himself promised to pay off the debts as soon as a financial solution emerges.

But, needless to say, these were just statements for the press, and behind clsed doors the Tatar side won Boris Yeltsin's support for the funding of a bridge across the Kama and for the restoration of the Kazan Kremlin. There was also a request for money for the modernization of the airport in the republic's capital. "There are always requests for money despite the desire for independence," one high-ranking representative of the Russian delegation commented on the state of affairs.

And Mintimer Shaymiyev was indeed far less keen to discuss with Boris Yeltsin the question of bringing Tatarstan's constitution into line with the new Russian Constitution. The point is that the republic is claiming an autonomous role as a subject of international relations. What is more, under its laws soldiers only perform their compulsory military service on Tatarstan's territory. All that is clearly at variance with the principles of a federal state.

Thus, the bilateral treaty between Russia and Tatarstan on the demarcation of areas of jurisdiction has today made it possible to resolve the main problem—the problem of political stabilization. "Tatarstan has been transformed from a region that was almost used to scare children into one of the calmest republics for people of different nationalities," Emil Pain said. Thus, in his view, a weight has been taken off the minds of both the almost 4 million Tatars living outside the republic and the Russians in Tatarstan who make up half the republic's population.

However, Boris Yeltsin summed up the results of his trip by warning that the treaty should not become just a political declaration, just a "piece of paper." Concrete efforts are needed to implement it on both sides, which was why a bilateral commission, led on the Russian side by First Vice Premier Oleg Soskovets and on the Tatarstan side by the republic's prime minister, Mukhammat Sabirov, was formed.

The commission is to work out a mechanism for the operation of the treaty which presupposes the implementation of a whole series of federal programs and economic agreements. Subsequently the format of Russian-Tatarstan bilateral relations may be used to conclude similar treaties with other republics, krays, and oblasts in the Federation.

Nevertheless, the center's first experience of settling relations with Tatarstan can rightly be described as the "golden key" that opens the doors to constructive ethnic and regional policy and the creation of a strong state capable of protecting citizens' interests.

Shakhray on Resignation, New Responsibilities

MK0306123094 Moscow NEZAVISIMAYA GAZETA in Russian 3 Jun 94 p 3

[Interview with Vice Premier Sergey Shakhray by Yevgeniy Molchanov in the "Power" column: "The Question of Resignation Is Closed. Sergey Shakhray Will Participate in Negotiations With Chechnya"—place, date not given]

[Excerpts] [Molchanov] Sergey Mikhaylovich, what is the real story behind your resignation?

[Shakhray] It is known that my resignation was preceded by my dismissal from the post of nationalities and regional policy minister which, in my opinion, was effected in violation of ethical norms. I had two options: either to keep silent or to protest the impermissibility of breaching the norms of official ethics. The sole way of expressing one's position in a situation when you are a member of a team is not to impose political assessments on your colleagues. And if you have to talk about a breach of ethics, this must be done after you resign. This is how I acted, announcing my resignation. This is my right. And it is the right of the president and the premier to accept or reject this resignation.

The resignation was not accepted. There were meetings with the president and the premier. My further tasks, duties, and functions under the new conditions were clarified. And the most important thing for me here was that nationalities and regional policy remained under my jurisdiction, as vice premier. Moreover, representatives of many regions requested the country's leadership not to accept my resignation. In this situation I considered it inappropriate to insist on my resignation. (It would be very important for me to express through this newspaper my gratitude to those who supported me in those days). On the other hand, what has happened helped me identify both my true allies and adversaries, and even "traitors." A valuable experience.

The question of resignation was closed; the conversation with the president moved to more urgent matters: on regional and nationalities policy, drafting a treaty on Kaliningrad Oblast, and mechanisms and implementation of the treaty between the power bodies of Russia and Tatarstan. In view of the numerous insinuations and rumors about my resignation being related to the upcoming negotiations with Chechnya, I asked directly whether I had been removed from the position of chief negotiator at the talks on a settlement with the Chechen Republic which I led in accordance with the president's message and a Duma resolution. The answer was negative.

I introduced the new minister to the ministry collective, which I think was very important psychologically both for him and myself. We shall work. [passage omitted]

[Molchanov] As vice premier, which matters will you oversee now?

[Shakhray] They include the following sets of questions: First, nationalities and regional policy; second, interaction with legislative and judicial bodies. (After all I have experience of working in parliament and in the government).

My terms of reference also include matters of interaction between the government and the mass media. I stress: interaction, not supervision, coordination, or direction. Not as it is envisioned in the TV and radio broadcasting plan drafted by the State Duma. I consider one of the major shortfalls in the government's performance the inability to explain its decisions, take public reaction into account, and shape public opinion.

Shakhray Says Cargo Being Transported to North

LD0306220794 Moscow ITAR-TASS World Service in Russian 1537 GMT 3 Jun 94

[By ITAR-TASS parliamentary correspondent Ludmila Yermakova]

[Text] Moscow, 3 June—Money has been allocated for cargo to northern regions, and the transportation of goods has already begun, Vice Prime Minister Sergey Shakhray, who is in charge of a commission entrusted to regulate transportation, told ITAR-TASS. He said that one trillion rubles over the next two months has been allocated for the transportation of cargo. The task in this period is to supply only those areas with a limited navigation season with only petroleum products, coal, and four types of food.

According to the State Duma's deputy, parliamentary hearings held in April in the two chambers helped to resolve this issue. They also showed that a new legislative basis was needed for these regions. "Random market relations in the north will not produce any good results on their own. State regulatory measures are needed," he stressed.

The participants in today's hearings in the Federation Council on social-economic and cultural issues came to similar conclusions, the deputy noted. "Everyone is convinced that the transformation to free market relations is a noose around the neck of indigenous peoples," he pointed out. Venison and other traditional foodstuffs prices have nothing to do with the market relations. That is why they need state subsidies. This will be less expensive than moving the northerners to towns. Sergey Shakhray recalled that in Canada and in Alaska, in spite of the market, state regulation of prices is tight.

He pointed out that "the development of resources in the north is an issue of maintaining the ethnic composition of the area." That is why one of the conditions for granting contracts for the development of the natural resources will be making deductions set by the law for protecting the habitat and forms of local economic forms.

Proposed FCS Special Operations Directorate Described

MK0406080094 Moscow SEGODNYA in Russian 4 Jun 94 p 1

[SEGODNYA report under the "Special Services" rubric: "A New Directorate Will Be Set Up in the FCS"]

[Text] A special operations directorate is likely to be created in Russia's Federal Counterintelligence Service [FCS]. FCS sources confirmed to INTERFAX 3 June that this possibility was discussed in the course of Russian Federation President Boris Yeltsin's visit to the counterintelligence service's headquarters late in May. It is supposed that power structures—special units of the "Alfa" and "Vympel" groups type—will be set up under the special operations directorate.

Earlier both groups were part of the KGB structure before they were transferred to the Main Directorate for the President's Security, while some time ago "Vympel" was once again reassigned, this time to the Russian Federation Ministry of Internal Affairs. A number of officers of this special unit refused to be transferred to the Ministry of Internal Affairs and were taken on by the FCS. Mr. Yerin's agency is planning to create a special union named "Vega" on the basis of what remains of "Vympel." Let us remind you that the "A" group ("Alfa") was created on Andropov's initiative to combat terrorism, whereas "Vympel" is a former unit of the KGB's First Main Directorate (Foreign Intelligence Service) designed to carry out "in-depth intelligence activities" (intelligence-sabotage-terrorist activities in the rear of the potential adversary).

Mr. Stepashin told a news briefing that in the FCS structure there are several off-the-books "commando groups" [gruppy zakhvata] within the major territorial directorates. According to information from confidential sources, it is not ruled out that the forming of the new directorate will be entrusted to General Dmitriy Gerasimov, former commander of "Vympel."

Yeltsin Renames, Reforms Management Academy

LD0606094394 Moscow ITAR-TASS in English 0924 GMT 6 Jun 94

[By ITAR-TASS]

[Text] Moscow June 6—Russian President Boris Yeltsin issued a decree on Monday reforming the former Russian Management Academy into the Russian State Service Academy, directly under the president of the country.

The academy will serve as an educational, research, and analytical centre devoted to problems of civil servants, the president's press service reported on Monday.

Yeltsin named Aleksey Mikhaylovich Yemelyanov as dean/president of the academy.

Economic Issues

Yeltsin Edict on Sale of Debtor Enterprises

LD0406015794 Moscow ITAR-TASS World Service in Russian 1520 GMT 3 Jun 94

["Text" of the decree "On the Sale of State Debtor Enterprises" signed by Russian Federation President Boris Yeltsin on 2 June; by ITAR-TASS]

[Text] Moscow, 3 Jun

On the Sale of State Debtor Enterprises

With a view to implementing state policy aimed at preventing the insolvency (bankruptcy) of enterprises and the negative social consequences connected with the reorganization and liquidation of insolvent enterprises, should they be declared insolvent (bankrupt), I decree:

1. State enterprises whose accounts balance have been declared unsatisfactory and an enterprise that has been declared insolvent (this is known henceforth as the debtor enterprise), in accordance with Resolution No. 498 of the Government of the Russian Federation of 20 May 1994 "On Measures to Implement Legislative Acts on Insolvency (Bankruptcy)", should be sold in accordance with this decree.

2. The accompanying provision on the procedure for selling state debtor enterprises should be approved.

The provision on the procedure for selling state debtor enterprises should be applied to: state-owned debtor enterprises for which a privatization plan has not been approved according to established procedures by the time the decision is adopted on their accounts balance being unsatisfactory and the enterprises being insolvent; and, to the packages of the debtor enterprises' shares that belong to the state.

3. The sale of state debtor enterprises that are declared bankrupt should be accomplished in the following ways:

—by sale through competitive bidding, on a commercial or investment basis, of debtor enterprises that will maintain their status as legal entities;

—by the liquidation of debtor enterprises with the subsequent sale of their property (assets) at auctions or through competitive bidding, on a commercial or investment basis;

—by selling at auction the state-owned portions of the stock (shares) of debtor enterprises.

4. If insolvency of state-owned enterprises is caused by circumstances that are not immediately connected with a delayed payment of a state order from the federal budget or from the budget of a member of the Russian Federation, the head of the enterprise who, being considered unfit for his position, should be deemed responsible for the insolvency of the enterprise.

As soon as an enterprise is declared insolvent and having an unsatisfactory accounts balance, the rights to sign and cancel contracts with the head of the debtor enterprise are transferred to the Federal Department for Insolvency (bankruptcy) under the State Committee of the Russian Federation for Management of State Property or to an appropriate executive body of a member of the Russian Federation.

The question of relieving the head of the debtor enterprise of his duties, as unfit for his position, will be considered simultaneously with making the decision to declare a state-owned enterprise insolvent and as having an unsatisfactory accounts balance.

In the event that the head of a debtor enterprise is relieved from his duties, there will be no new appointment, but the Federal Department for Insolvency (bankruptcy) under the State Committee of the Russian Federation for Management of State Property or an appropriate executive body of a member of the Russian Federation will conclude an agreement with an individual (the manager), subcontracting the management of the debtor enterprise until it has been sold to a new owner.

5. When preparing plans for the privatization of enterprises, the Russian Federation State Committee for the Management of State Property and property management committees in components [subyekty] of the Russian Federation should analyze the financial condition of enterprises in accordance with the criteria approved by the Russian Federation Government for determining an unsatisfactory balance structure.

6. The sale of debtor enterprises around which new towns have been created should be carried out in accordance with the special rules set by the Russian Federation Government.

The Russian Federation Government is to approve within two months a provision on the procedure for classifying enterprises as enterprises around which new towns have been created and the special rules for the sale of debtor enterprises around which new towns have been created.

7. The Russian Federation government should:

—speed up the preparation of a draft law establishing the criminal and administrative responsibility of the management of an enterprise for actions causing the enterprise to go bankrupt;

—approve within one month the norms for the distribution of resources obtained from the sale of debtor enterprises and of their property (assets) and stock (shares), in accordance with the ways in which they are used, which have been defined by the provision on the procedure for the sale of state-owned debtor enterprises.

8. Local government bodies should be recommended to carry out the sale of municipally owned debtor enterprises in accordance with the rules stipulated by the provision on the procedure for the sale of state-owned debtor enterprises.

The present decree comes into force from the moment of its publication.

[signed] Boris Yeltsin

High Taxes, Low Prices Limiting Oil Exports

LD0506181494 Moscow Radio Moscow World Service in English 1530 GMT 5 Jun 94

[Text] Russia is not short of oil and is ready to export more, the Ministry of Fuel and Energy said in a report prepared by its experts. By the beginning of last month the country had more than 6.5 million barrels of crude oil unsold. This is more than average reserves. Among the factors restricting the sale of oil are disproportionately high government taxes and prices. As a result, the experts say, even oil exports have become ineffective.

Sixty Million Russians To Own Land by End of 1994

LD0506144194 Moscow INTERFAX in English 1220 GMT 5 Jun 94

[Text] On Sunday the chairman of the Russian committee on land resources and land tenure Nikolay Komov told Interfax that by August 1, 20 Mn Russians would be formally recognized as owners of plots of land.

According to Komov, every villager, member of a horticulturists' association, small farmer or person who was given his share of the collective farm's land would be issued a certificate to confirm his ownership of a plot of land.

Komov described the certificate as a legal document which confirms the citizens' right to own land and the necessary condition for the sale and purchase of land in Russia.

According to Komov's land committee, more than 1 Mn Russians are still waiting to get a plot of land for green-finge[illegible] and more than 7,OOO citizens are waiting to get a plot of land for farming.

Komov said the national land redistribution fund controled 66 Mn hectares, 20.1 percent of which were farming land. As many as 16.6 Mn Russian villagers had registered as owners of a total of six million hectares of land. More than 270,000 small farmers possessed a total of 11.3 Mn hectares and 14.3 Mn families were registered as members of horticulturists' associations.

Wage Indexation Proposals Go to Chernomyrdin

PM0606105794 Moscow ROSSIYSKIYE VESTI in Russian 3 Jun 94 p 1

[Igor Petrov report under the rubric "Decision in Preparation": "Government Intends To Index Link Minimum Wage"]

[Text] It seems that the many debates about the need, on the one hand, to combat inflation by restricting the growth in the money supply and, on the other, to prevent a social explosion will end soon.

As your ROSSIYSKIYE VESTI correspondent has learned from reliable sources, documents providing for an increase in the minimum wage in the country have already been placed on the desk of Government Chairman Viktor Chernomyrdin. According to the Labor Ministry's proposals adjusted to take into account the opinion of the Finance Ministry and the Federation of Independent Trade Unions, it is proposed to index the minimum wage by a factor of 1.4 as of 1 July. Thus it will rise from 14,620 rubles [R] to R20,500. The same factor will be applied to the calculation of wages in the budget-funded sectors of the economy. Category One of the Single Wages Schedule, which determines wages in all budget-funded organizations, will rise from R16,000 to R22,400. This is the figure which will form the basis for setting the wages of workers in the public sector.

The Labor Ministry's proposals finally reflect the differentiated approach to the formation of the incomes of various categories of workers. In practice, this should mean extra financial increments that will be paid to workers in the first four categories of the Single Wages Schedule. Total pay in, for example, Category One will be no less than the minimum pension plus all the extras [nakrutki], and this will amount to R39,000. This will be the actual rate for a worker in Category One of the Single Wages Schedule.

This is surely the first time in the short history of pay indexation that these proposals have been given the full support of the Finance Ministry. Furthermore, the financial experts have given an assurance that if this indexation is implemented as of 1 July, as planned, the money required for that purpose will be allocated from the budget in full and in that month.

Military Issues

10-Fold Cut in Nuclear Arsenal Planned by 2003

LD0606115494 Moscow Radio Moscow World Service in English 1100 GMT 6 Jun 94

[Text] Russia plans a 10-fold reduction of its nuclear arsenals by the year 2003. This has been announced by Atomic Energy Minister Viktor Mikhaylov. According to him, Russia will retain 3,500 highly efficient nuclear warheads capable of defending it from any form of aggression. As to nuclear weapons cuts, Moscow spends up to 1,000 billion rubles a year for these purposes. An agreement with the United States on processing weapon-grade uranium into fuel for nuclear power stations only partially compensates for the losses incurred by Russia due to the destruction of the nuclear weapons of Ukraine, Belarus, and Kazakhstan.

Secret Footage of 1969 Space Launch Failures Shown

LD0506113794

[Editorial report] Moscow Ostankino Television First Channel Network in Russian at 0820 GMT on 5 June, in its program entitled "Aerospace salon," carries a 4-minute report on two major hushed-up space launch failures in 1969, at the height of the space race between the USSR and the United States. The report shows for the first time previously classified pictures of two launch failures.

In the first decade of the space age, the U.S.'s Mariner-IV probe had already succeeded in sending back to Earth the first pictures of Mars, while all six Soviet Mars probes had failed to reach their target.

"In 1969, the United States was planning to launch a further two Mariner probes to Mars," the program says. "For this reason the leadership of the Soviet Union ordered the leading enterprise for interplanetary probes, the Lavochkin scientific-production association, to urgently create probes for the orbital exploration of Mars."

On the basis of the new UR-500K rocket, later redesignated as the Proton rocket, the Lavochkin enterprise hastily developed the five-tonne M-69 Mars probe. However, following the successful launch by the United States of Mariner-VI on 25 February 1969, the first attempted Soviet launch of a M-69 Mars probe on 27 March failed. Just "438 seconds after its launch the rocket's third stage motor exploded" and the probe perished. Later the same day, 27 March, the Americans successfully launched Mariner-VII. On 2 April, the second attempted Soviet launch of an M-69 probe produced yet another failure. "Immediately after the start of the launch, a fire broke out in the rocket's first-stage motor" and after rising just a short distance, the rocket plunged back to Earth close to the launching area.

The Ostankino television program showed footage of both space launch failures. "Very few people have previously seen this footage," the program says. Two official TASS announcements about the successful launching of Mars-2 and Mars-3 probes, which had been compiled beforehand and later had to be cancelled before their publication in the media, were also shown on screen. At the time, the Soviet media did not mention these failures.

Joint Exercises in Sea of Okhotsk Begin 5 Jun

LD0306174894 Moscow INTERFAX in English 1603 GMT 3 Jun 94

[Text] A joint exercise of ships and aircraft of the Russian Navy and border forces will take place in the central area of the Sea of Okhotsk from June 5 to 25. The exercise will concentrate on the defense of marine communication and on rocket and artillery fire.

Interfax has learned that the scenarios will also include rocket and torpedo attacks from submarines, ships and aircraft and rebuffing an enemy with convoy defenses.

New Border Guard Control Center Inaugurated

PM0306143594 Moscow ROSSIYSKIYE VESTI in Russian 3 Jun 94 p 1

[Unattributed untitled report under the "At A Glance" rubric]

[Text] The Russian Border Guards Central Command Post, which was set up on the initiative of Colonel General Andrey Nikolayev, commander in chief of the [border guard] troops, has embarked on duty. The post was set up with with a view to ensuring quality organization and operational command and control of the border guards. Shifts will be on duty around the clock.

Federation Council Issues Decree on Defense Funds

MK0306095094 Moscow NEZAVISIMAYA GAZETA in Russian 3 Jun 94 p 1

[Ivan Zasurskiy report under the "Finances" rubric: "Federation Council Recommends To Hike Spending. The Military To Get 55 Trillion"]

[Text] In a closed session yesterday, the Federation Council accepted as a basis the decree "On the Course of Shaping the 1994 Federal Budget," which calls for a notable increase in the number of defense and social-sphere expenditure items.

The decree recommends to the State Duma "to increase in the expenditure part of the budget financial aid to the other levels of power up to 23 trillion rubles [R], including the financing of outlays for the maintenance of facilities in the social sphere and the housing stock which is being turned over under the authority of local bodies of state power in 1994, by R7.3 trillion," "to increase defense spending to R55 trillion," to regard it as necessary to replenish the financial aid fund through Central Bank emission credits rather than through transfers from the federal budget, "to regard it necessary to accept R4.3 trillion as the sum to cover the creation of regional food funds in the budget to be distributed among the specific regions." One of the recommendations to the State Duma asks it "to establish a system of priorities for the distribution of emission credits so as to provide finances in a timely manner to those regions that lack them."

As regards an increase in defense spending, the Federation Council suggests itemizing the funds thus: R12 trillion for arms purchases, up to R5.5 trillion for research and development work, and up to R8 trillion for capital construction, while outlays for the maintenance of the Armed Forces should be cut from R28 trillion to R25.8 trillion.

Thus, the decision so far accepted "as a basis" restores the Defense Ministry's and the military-industrial complex's share of participation in the budget to the one initially planned during the Finance Ministry's drafting of the budget message, which, however, was reduced before having been put before the State Duma.

The Federation Council asked the Duma to increase the budget deficit attributed to defense items to R18 trillion in all. Commenting on this decision by the upper house of parliament, Senator Nikolay Gonchar stated that the Federation Council "wants no standoff with the government; it weighs the interests of the government and the country as a whole, and if the country's interests tip scales, this is normal." If the State Duma fails to consider the Federation Council's expenditure recommendations, the senators would go back to discussing their budget amendments after the budget has been put to the upper house of parliament for approval. According to Nikolay Gonchar, the Federation Council decision is not in recognition of Glazyev's budget, although there are constructive aspects on the Duma economist's stance. However, "Glazyev's additional incomes can go to patch up the holes in the old budget."

More critical of the decree were Yuriy Chernichenko and Boris Nemtsov, who talked to journalists. A chagrined Mr. Chernichenko said it was guns before butter. Boris Nemtsov thought it necessary to hold an independent item-by-item study of the budget expenditure, because it could yield rather unexpected results. Arguing against the funds for military capital construction, Boris Nemtsov stated that he "has no use for Defense Ministry funds to build a home for some officer named Ivanov, for example, in Nizhniy Novgorod Oblast," while it would be sensible to arrange for personal bank accounts to transfer the money that can only be spent by its owner for housing construction. "Eight trillion means 400,000 officers would be able to have decent homes built for them." To illustrate the justice of the claims made by Nemtsov, who spoke at the session, it suffices to recall the recent con jobs in the United States where hammers ordered by the government were sold at a thousand bucks each.

Military Social Support Fund Established

LD0306122994 Moscow ITAR-TASS World Service in Russian 0713 GMT 3 Jun 94

[By ITAR-TASS correspondent Sergey Ostanin]

[Text] Moscow, 3 Jun (ITAR-TASS)—An extra-budgetary fund of social support for Russian military servicemen has been created at the Main Directorate for the Military Budget and Financing of the Russian Defense Ministry. An ITAR-TASS correspondent was told of this today by Colonel Aleksandr Goncharov of the Defense Ministry's information and press department.

He said that the money will come from the activities of the military insurance company. According to a Russian Federation Defense Ministry directive, it will be used to stage military- patriotic and cultural events and to organize meetings with the participants of wars and veterans of the armed forces. It is also envisioned to use the money from the extra-budgetary fund to pay for the treatment of servicemen and their families, to provide gratuitous financial assistance to large families, and particularly servicemen in need, and as subsidies to public catering enterprises located in officers' houses and officers' clubs.

Lack of Alternative Service May Disrupt Draft

MK0406105094 Moscow SEGODNYA in Russian 4 Jun 94 p 2

[Boris Averyanov article under the "Pacifism" rubric: "There May Be No Next Call-Up Unless There Is a Law on Alternative Service"]

[Text] The legal vacuum in the sphere of alternative service for induction-age youth threatens trouble for the Russian Armed Forces. Under the Constitution, "every citizen of the Russian Federation, if his convictions in the matter of faith contradict with military service.... has the right to substitute it with an alternative civil service." (Article 59, Item 3).

In the meantime there is still no law on alternative service (as, naturally, there is no alternative service itself), and any youth of draft age may turn to the president and demand that his constitutional rights be observed, and demand the right not to serve at all because "objectors" protected by the Constitution are not called up today for alternative service. If things continue this way, the number of those wanting to capitalize on the "flawed" legislation may snowball by the time of the autumn draft.

The State Duma committees on public organizations and defense have prepared two alternative drafts on alternative service. The man in charge of the first one, Vitaliy Savitskiy, chairman of the subcommittee on religious organizations and cochairman of the Russian Christian Democratic Union, said on his arrival in St. Peterburg that an agreement has been reached with Defense Committee Chairman Sergey Yushenkov to merge both drafts—the result would be passed on to the Duma for consideration. But how does one combine them when they differ in their approach right from the start? For example, the draft Mr. Savitskiy is in charge of and which was developed by a group led by Anatoliy Pchelintsev, director of the Institute of Religion and

Law, and Vladimir Rikhovskiy, director of the Christian Juridical Center, is remarkable for a much more liberal approach.

It is doubtful that the "defense people" will easily agree with the articles of their "rivals'" draft, but Mr. Savitskiy looks to the future with optimism: The Defense Committee, whose draft he thinks looks "rather raw," is simply up the creek. A further non-passage of the law may simply result in a disruption of the autumn draft on quite legal grounds, let us note. All this makes the Defense Committee work together with the authors of the first draft if only it nears the main goal—the passing of the law as soon as possible.

If the new committees really manage to produce a joint draft, it is not ruled out that the law on alternative service would be passed by the Duma rather quickly. Those in the Defense Committee realize that procrastination is fraught with a disruption of the new draft for an army which is thinning out as it is, whereas the committee on relations with religious organizations hopes that, in addition to everything else, the new law would humanize the army. "With its passage the army chiefs would have to try and see that the horrors of military service do not make draftees seek alternative service," the subcommittee head, Mr. Savitskiy, thinks. "Conditions of army service should not be worse that working in hospitals, and then the only ones who would try to get into the ranks of alternative servicemen would be those who cannot take up arms for their convictions."

Defense Ministry Proposes New Industry Concept

LD0306193894 Moscow INTERFAX in English 1810 GMT 3 Jun 94

[Text] The Russian Defense Ministry proposed a new military mobilizing concept for industry aimed at a sharp reduction of the reserve capacities in order to mobilize them during an emergency period. First Deputy Russian Defense Minister Andrey Kokoshin told Interfax today that this was due to the altered evaluation of the character of any potential war or armed conflict and of the present economic realities when it was necessary to pay for everything.

Kokoshin added that the Russian Defense Ministry was in favor of producing jets, helicopters, satellite and other supervising systems at military-industrial enterprises. He said if the defense industry enterprises started to make civil products, this would help to preserve the scientific and technical potential of these enterprises. Such enterprises will be the main resources of the country in a period of emergency.

Kokoshin stressed that officers of the Defense Ministry and other departments were not unanimous in their assessment of the new concept. The State Committee on the Defense Industry and the Economic Ministry are also arguing on the issue.

Federal Assembly

Committee Urges Ratification of CIS Economic Treaty

LD0306194794 Moscow INTERFAX in English 1810 GMT 3 Jun 94

[Text] The Federation Council ought to ratify the treaty on the CIS Economic Union of 24 September 1993 as this is in Russia's interests, the upper chamber of the Russian Parliament was advised at hearings Friday.

The Russian Government was advised to step up efforts to create a free trade area and customs and payments unions in the CIS.

Federation Council members said that industrial decline throughout the CIS was due largely to the break up of economic links.

The CIS Statistics Committee said that overall economic decline in the Commonwealth was characterized by a reduction of the gross domestic product on the whole in the CIS by 26% over the past two years, including by 30% in industry and 11% in agriculture.

The Statistics Committee said that industrial output had gone down by 10-18% in Ukraine, Belarus and Turkmenistan since 1991, 24-31% in Russia, Moldova, Kazakhstan and Azerbaijan and 39-60% in Tajikistan, Kyrgyzstan, Armenia and Georgia.

Sergey Glazyev, who is chairman of the State Duma (lower chamber of parliament) Committee for Economic Policy, told the Federation Council that the Free Trade Agreement signed on 15 April this year must be put into effect, all the more so because of its benefit for Russia. The CIS market accounted for one fifth of Russia's foreign market and it was in the former USSR states that Russian goods were most competitive, he said.

Federation Council Recommends CIS Treaty

LD0306143694 Moscow ITAR-TASS in English 1423 GMT 3 Jun 94

[By ITAR-TASS correspondent Igor Galkin]

[Text] Moscow June 3 TASS—Russian deputies have recommended the soonest ratification of the Treaty on Commonwealth Economic Union at today's parliamentary hearings in the Federation Council, the upper parliament chamber.

Russia is the only Commonwealth state that has not ratified the document. The hearings confirmed that the document corresponds to the Russian interests and aims to form common economic space in the Commonwealth to be based on market economy principles.

The Russian government is offered to work for the creation of a free trade zone, customs and payment unions proceeding from the need to settle credit, monetary, currency and financial relations with the Commonwealth republics.

Russian vice-premier Aleksandr Shokhin told correspondents that hundreds of Commonwealth agreements are inefficient. A new working body of the economic union should help to elaborate and implement cooperation documents, he said. Organizational economic structures of the Commonwealth are too weak, and Russia supports the initiative to create an inter-state economic committee, added Shokhin.

Federation Council Urged To Agree on Abkhazia Peacekeeping

LD0306144194 Moscow INTERFAX in English 1320 GMT 3 Jun 94

[Text] Russian President Boris Yeltsin "is likely to use some form of persuasion on the upper chamber of the Russian parliament in order to force a positive decision on the introduction of Russian peacekeepers into Abkhazia during the second consideration of this problem by the Federation Council," an employee of the presidential administration declared to Interfax Friday.

He expressed his supposition saying that the refusal to support the presidential address regarding forces' introduction voiced the day before is "a kind of a gesture, an appeal to the presidential team to develop such documents thoroughly." The employee has no doubts that the majority of the Federation Council understands the need to conduct a peacekeeping operation in Transcaucasus.

The second consideration of the issue on introduction of peacekeepers into Abkhazia in the Federation Council is scheduled for June 21.

According to an Interfax source, "a slight" delay in the introduction of peacekeepers into Abkhazia "is an unpleasant but not a fatal fact." He does not predict any threat of resumption of a widescale conflict between Georgia and Abkhazia.

Zatulin Regrets Senate Decision on Peacekeepers

MK0406090094 Moscow SEGODNYA in Russian 4 Jun 94 p 2

[Petr Zhuravlev report under the "Peacekeeping" rubric: "Deputy Zatulin Pained at Federation Council's Abkhazia Decision. Senators Have 'No Details Explained' to Them"]

[Text] Konstantin Zatulin, chairman of the Duma committee for CIS affairs, had "nothing left but to express regret" at the fact that President Yeltsin's call about the need to send to Abkhazia a Russian peacekeeping contingent found no support in the Federation Council on 2 June. At a specially called news briefing yesterday, Mr. Zatulin discussed this regret and his hope that this decision will not lead to an escalation of the Georgia-Abkhazia conflict.

The Duma committee head, who on Thursday attended the upper chamber sitting to discuss the president's call, said that senators who voted against were guided mainly by three motives. First, in Mr. Zatulin's words, many "were especially agitated about sending Russian soldiers" to a zone of armed standoff (the motive was called illogical, incompetent, and populist because the participation of a Russian contingent in the peacekeeping operation in Bosnia had been approved at one time). Second, the senators feared additional outlays that may run to between 3-9 billion rubles. (Mr. Zatulin was told that the Federation Council approved that same Thursday a proposal to increase the budget expenditure side, and "why cry over spilt milk....") Third, and which also played its role, was the fact that the presence of soldiers even on Russia's territory—the emergency situation zone in Ossetia and Ingushetia—has so far not been very helpful in solving the crisis there. (Brushing aside this argument, Mr. Zatulin said that had there been no troops, this, as in fact any such conflict, would have been "even much more bloody").

According to Konstantin Zatulin, an alternative to sending CIS peacemaking forces to Abkhazia is the presence there of an international UN contingent, for the participation in which Turkey, Uruguay, and several more countries have already applied. This, however, the committee chairman thinks, would lead to Russia's losing influence in the region and the declining authority and prestige of our country on the world scene. Generally, Mr. Zatulin said, it is bad that the Ministry of Foreign Affairs or the president's staff, who obviously continue to regard the Federation Council as a chamber "loyal" to the president, paid no due attention to the question and did not properly explain everything to the senators. Mr. Zatulin, however, is confident that following a recess in the chamber's work, the senators will after all support the peacemaking initiative of not Moscow alone but of also of Alma-Ata [Almaty], Bishkek, Tashkent, Dushanbe, Yerevan, Baku, and even Tbilisi.

Duma Budget Committee Sees No Way To Raise Spending

MK0406083094 Moscow SEGODNYA in Russian 4 Jun 94 p 1

[SEGODNYA report: "Duma Budget Committee Against Upping State Spending"]

[Text] The State Duma Budget Committee does not think it possible to hike budget expenditures in line with recommendations passed by the senate. Committee Chairman Mikhail Zadornov thinks the budget calls for serious correction, but it should be accepted precisely in the shape submitted by the government. He pointed out that the main indicators of the level of expenditures, revenues, as well as the budget deficit were already approved in the first reading and cannot be changed, whereas an item-by-item redistribution of expenditures is not ruled out.

Budget Committee: Council's Defense Spending Rise Untenable

LD0406152594 Moscow Radio Rossii Network in Russian 1000 GMT 4 Jun 94

[Text] The State Duma's Budget Appropriations Committee does not consider it possible to increase defense spending in line with the Federation Council's recommendations.

Deputy Duma Chairman Explains Military Budget Issue

LD0306222294 Moscow ITAR-TASS World Service in Russian 1500 GMT 3 Jun 94

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[Text] Moscow, 3 June—The situation that arose in the State Duma as a result of the examination of this year's federal draft budget should not be dramatized, said Valentin Kovalev, deputy chairman of the State Duma.

The clause on the proposed military expenditure was the stumbling block: The State Duma approved it as 37 trillion rubles in the first reading, but the Federation Council brought it up to 55 trillion, thereby increasing it by 18 trillion rubles. "I want to stress that these decisions are not final, but just a process; the parliamentarians are continuing their considerable and tense work," Valentin Kovalev told the ITAR-TASS correspondent who asked him for his comments.

"I do not think that the military budget is an issue for conflict, although I would like to remind you that a conciliation procedure exists within the framework of the Federal Assembly between the State Duma and the Federation Council," he said. "We proceed from the premise that the conciliation procedure should be permanent, and we will resolve all contradictory questions within its framework consistently. I am convinced that the chambers will reach agreement," Valentin Kovalev stressed.

Asked what the reaction of the deputies in the State Duma might be to the Federation Council's decision, although not yet final, he noted that "predictions are thankless things, especially if one takes into account the fact that we have 10 factions and deputies' groups plus another unregistered group of deputies. That means there are 11 points of view on every question. Proceeding from this, it is difficult to make any prediction, but I am convinced that within the framework of the conciliation procedure which operates not only between the chambers but but also between the factions and deputies' groups, we will reach a mutually acceptable decision which will be to the liking not only of the Federal Assembly and the government, but also of the country as a whole," Valentin Kovalev stressed.

Regional Affairs

Chechnya Warns of Russian 'Armed Aggression'

LD0306121894 Moscow INTERFAX in English 1036 GMT 3 Jun 94

[Text] Chechnya claims that "the Russian leadership is virtually ready for an armed aggression against the republic." A statement by Chechnya's State Security Department says that it is with this aim that Russia is redeploying its troops around the republic.

According to Groznyy, an elite Russian air assault unit has taken up position at Mozdok (North Ossetia). Russian Interior Ministry special troops are reported to be moving toward the Chechen borders following Moscow's decision to extend the state of emergency to the zone of Ossetian-Ingush conflict.

Nationalities Minister Meets N. Ossetian, Ingush Presidents

LD0606104494 Moscow ITAR-TASS World Service in Russian 1007 GMT 6 Jun 94

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, 6 Jun (ITAR-TASS)—During his trip to the North Caucasus, Nikolay Yegorov, the Russian minister for affairs of nationalities and regional policy, aims to familiarize himself on the spot with the latest situation in the state of emergency zone and decide how to implement the presidential decrees and the resolutions of the Russian Government. On Monday, he arrived in Vladikavkaz, where he met with North Ossetia President Akhsarbek Galazov.

This afternoon Nikolay Yegorov, Vladimir Lozovoy, head of the interim administration, and a group of representatives from federal ministries and departments, flew out to Nazran where Yegorov is to meet with Ruslan Aushev, president of Ingushetia.

Ingush President on Situation in State of Emergency Zone

LD0306194694 Moscow INTERFAX in English 1810 GMT 3 Jun 94

[Text] The situation in the state of emergency zone will never stabilize if the Interim Administration on Ingush and South Ossetian territory and Vladikavkaz ignore the decree on the return of deported Ingush to their places of permanent residence issued by the Russian president. This was stated by Ingush President Ruslan Aushev at a press conference in Nazran today. The press conference was held on the decision of the Russian Federation Council which had confirmed the presidential decree on extending the state of emergency in the zone of the inter-ethnic conflict until July 31.

Aushev said that the return of Ingush refugees would depend on how efficiently the Interim Administration headed by Vladimir Lozovoy would perform.

N. Ossetia Under Peacekeepers' Control

LD0506145994 Moscow ITAR-TASS in English 1325 GMT 5 Jun 94

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz June 5 TASS—In recent days, the situation has become relatively stable in the part of North Ossetia where state of emergency rule was extended for another two months, from May 31 to July 31. According to military sources, no conflicts on ethnic grounds broke out in the zone over the past twenty-four hours. Russian peacekeeping troops, in close coordination with local law-enforcement bodies, are overseeing the state of emergency rule.

Officials of federal ministries and agencies continue working in the region, a spokesman for the North Ossetian president and government told TASS on Sunday. They examine the situation in the conflict zone and address issues of housing, communications, economic facilities in North Ossetia's Prigorodny District, the hotbed of the armed conflict.

North Ossetian mass media gave on Sunday wide comments on the statement by the republic's President Akhsarbek Galazov, saying the North Ossetian leadership is ready to comply with the Russian president's decree on the return of refugees to places of their permanent residence. However, the problem of refugees should be solved in complex, on the basis of documents signed in Kislovodsk. The final word is to be said here by commissions of conciliation.

N. Ossetia, Ingushetia to Sign Refugee Return Program

LD0406202594 Moscow Russian Television Network in Russian 1920 GMT 4 Jun 94

[From the "Vesti" newscast]

[Text] The program for the return of refugees to their homelands will be signed by both the North Ossetian and the Ingush sides. A RIA correspondent has learned this from Aleksandr Chelyshev, deputy minister of civil defense, emergencies, and natural disasters. He also revealed that around 40-45 billion rubles will be needed to restore housing in North Ossetia's Prigorodnyy Rayon. Part of this sum has already been received in the region and will be used toward the construction and restoration works.

Moscow Authorities Seek To Clear Refugees From Oblast

PM0606093994 Moscow KOMSOMOLSKAYA PRAVDA in Russian 2 Jun 94 p 1

[Unattributed report: "Refugee? Get Running!"]

[Text] In Moscow and Moscow Oblast the militia have started "hunting" refugees from countries of the near abroad and certain Arab regions. Organs, following a decree from the Moscow City Government, are to locate citizens in this category and unambiguously "request" that they leave Moscow Oblast.

There are currently 6,000 refugees (it is thought) in the city. Not one of them is registered, since there is no relevant legislation covering this. These people are not even entitled to look for work or seek hospital treatment. Consequently, they are often forced into crime in order to earn money for food.

Incidentally, the other day the Russian Federation president's Human Rights Commission prepared a report, which nobody has as yet examined, on the need to grant automatic Russian citizenship to any refugee who requests it.

Moscow Mayor Rescinds Antiprivatization Order

LD0306211894 Moscow Radiostantsiya Ekho Moskvy in Russian 1800 GMT 3 Jun 94

[Text] Moscow Mayor Yuriy Luzhkov rescinded his order on privatization, which Russian Vice Prime Minister Anatoliy Chubays sharply criticized. The document in question halted the privatization of installations of social importance within the city's limits.

Shakhray on Relations With Tatarstan, Chechnya

LD0406205794

[Editorial Report] Moscow Ostankino Television First Channel Network in Russian at 1700 GMT on 4 June 1994 broadcasts the "Novosti" newscast with correspondent Sergey Medvedev introducing an interview recorded today with Russian Deputy Prime Minister Sergey Shakhray. Medvedev questions Shakhray on Moscow's relations with the regions, particularly Tatarstan and Chechnya.

Commenting on the significance of Boris Yeltsin's visit to Tatarstan earlier this week, Shakhray says: "The Russian president's visit to Tatarstan was not only to solve economic problems but also to check the way in which the treaty on the delimitation of competences and authorities was being implemented. In essence it was a demonstration of the fact that the method developed for tackling regional conflicts has importance outside Russia as well, because this visit took place against the background of the crisis between Kiev and Simferopol, the Crimean problem."

He continues: "I personally believe that taking account of Ukraine's specific features, of the fact that it is a unitary state, the method that was used to tackle that regional crisis is suitable for the Ukrainian situation. It is suitable for the Dniester Republic, and for Karabakh, but it is most clearly suitable for tackling the Crimean problem.

"Three years ago, relations between Moscow and Kazan were almost identical to those that have developed between Kiev and Simferopol. There were shows of force; there were decisions by the Supreme Soviets annulling each other's resolutions; there was a decision by the Constitutional Court; and there was a referendum. We had enough self-possession and commonsense to avoid a scenario involving force, and to find a proper and civilized scheme for solving the problem. One was found, taking account of reciprocal interests, involving compromise, talks, and the delimitation of authorities."

Asked about relations between Moscow and Chechnya, Shakhray says that politicians both in Russia and in Chechnya are now looking for a way out of difficult economic situations: "I would say there are two points that one ought to concentrate on. They are the coordinated fight against crime and the tackling of economic problems. This is the way toward a general easing of the situation and toward a draft treaty on the division of competences and powers."

Medvedev then asks Shakhray whether Ruslan Khasbulatov could come back to Russian politics as a deputy from Chechnya. Shakhray says that at the moment there is a conflict between Chechen President Dzhokhar Dudayev and Ruslan Khasbulatov. Shakhray continues: "I have to think of a situation whereby Khasbulatov and Dudayev reach agreement between themselves. In essence, they can agree that Dudayev concludes an economic agreement or a treaty with Russia and holds elections to the Federation Council. If Khasbulatov stands as a candidate for these elections—although he might discard politics altogether—but if he stands as a candidate one might suppose that he can be elected during the elections. Then the republic will remain under Dudayev's leadership. Knasbulatov will then move from the republic to the Federation Council. This is not science fiction, this is a political combination, a political option that politicians both in Groznyy and in Moscow have to think about."

Soskovets Views Tatarstan Defense Industry

944F0764A Kazan RESPUBLIKA TATARSTAN in Russian 2 Jun 94 p 1

[Report by R. Rashitov: "Defense Industry Problems at the Center of Attention"]

[Text] Topical questions regarding joint measures for stabilization of the situation at defense industry enterprises, worked out by the Governments of the Russian Federation and Republic of Tatarstan, were discussed during the consultations held in Kazan by O.N. Soskovets, first deputy chairman of the Government of Russia, and Tatarstan Prime Minister M.G. Sabirov.

The participants in the consultations—directors of a number of military-industrial complex large industrial enterprises—discussed the problems of preservation and improvement of the defense industry's scientific and technological potential, and speeding up the production of civilian goods at these enterprises that would be both competitive and affordable for the population.

An agreement was reached to provide conversion credits, tax preferences, placing long-term orders, and gradual transfer of housing and social-cultural facilities into the ownership of, and maintenance by, local bodies of executive authority. It was pointed out to defense industry enterprise directors that they have to boost their commercial activities aimed at selling the products they produce, including exporting them.

O.N. Soskovets and M.G. Sabirov visited production shops and sections of aviation and motor-building production associations, where they were shown samples of output, and talked to workers and technical-engineering personnel.

Pro-Yeltsin Official Elected Mayor of Samara

LD0606093094 Moscow ITAR-TASS in English 0916 GMT 6 Jun 94

[By ITAR-TASS Boris Belyakov]

[Text] Samara, June 6 TASS—Oleg Sysuyev has been elected the mayor of Samara, a major industrial centre on the Volga, in the first popular municipal elections of this kind on Sunday. Seventy-three per cent of the voters cast their ballots in his favour. Sysuyev's closest rival scored ten times fewer votes.

Sysuyev was appointed the head of administration of Samara by Yeltsin's decree two years ago, the Sunday elections gave him popular support needed for further work.

Although the economic situation of Samara has never been as complex as lately, none of the municipal development programmes has been aborted under Oleg Sysuyev. The city transport network has been renewed and three new underground stations have been added to the underground railway system. Housing has been built apace, and many hospitals and educational establishments have received new equipment.

The mayor of Samara pins great hopes on the development of partnership relations with the German city of Stuttgart, American St. Louis and Bulgarian Stara Zagora. Exchange of experience has already involved scientists, doctors, teachers and policemen and is likely to do good to the partner cities and will help the nations establish better contacts.

Udmurtia Military-Industrial Center Approved

LD0606113094 Moscow ITAR-TASS in English 1052 GMT 6 Jun 94

[By ITAR-TASS correspondent Alfred Artamonov]

[Text] Izhevsk June 6 TASS—The idea of setting up a federal military-industrial centre in Izhevsk was approved by Russian Prime Minister Viktor Chernomyrdin, Aleksandr Volkov, head of the Udmurtia Government, said at a meeting today with the directors of the republic's largest industrial enterprises. The centre's main aim is to preserve scientific, technical, personnel and production potential.

Udmurtia has a good base for the creation of the centre, it was said at the meeting. Factories producing arms and means of communications can take the functions of this prestigious body upon themselves. The Izhevsk Technical Univerity and the Technological Scientific Research Institute "Progress" are successfully training personell for the centre.

According to the idea's authors, besides defence production factories, the federal centre should include structures selling military supplies. Enterprise directors emphasised that, in order to make the whole complex work on a stable basis, it must receive stable military orders with guaranteed payment, concessional customs duties on the sale of arms abroad, and a temporary exemption from paying exorbitant taxes. The enterprises' board of directors also submitted to the government a draft, envisaging an investment tax credit to Udmurtia's converted enterprises. The credit would be made to the federal budget, and would have to be paid back by the enterprises.

Attacks on Novosibirsk Bankers Continue

PM0606103994 Moscow ROSSIYSKAYA GAZETA in Russian 2 Jun 94 First Edition p 3

[ITAR-TASS report: "In the Mafia's 'Sights'"]

[Text] A Novosibirsk couple have ended up on the operating table as a result of a grenade thrown through their apartment window on the night of 31 May. The injured couple are widely known in the city: Yekaterina Zhabotinskaya is head of the Central Bank of Russia's chief branch in Novosibirsk Oblast. Vladimir Zhabotinskiy is deputy director of a firm. According to information from the hospital, both sustained multiple wounds. Following operations, there are no fears for their lives.

Criminal proceedings have been instituted and an investigation is under way.

This attempt continues the chain of crimes connected with leaders of the local branch of the Central Bank. Its former chief, Vasiliy Cheplakov, has twice found himself in the criminals' "sights." He was doused with acid, then shot, but luckily the bullet missed.

"I know full well that I will be the criminals' next victim, because I am not convenient for a lot of people," Nikolay Beloslyudtsev, deputy chief of the Central Bank branch, said in an interview with ITAR-TASS. He expressed strong indignation over the fact that the two attempts on Cheplakov's life remain unsolved. In his opinion, "the law-enforcement organs are dozing."

Kalmyk President Says 'Off-shore Zone' Becoming Reality

LD0606101494 Moscow ITAR-TASS in English 1001 GMT 6 Jun 94

[By BUSINESS-TASS correspondent Robert Serebrennikov]

[Text] Moscow June 6 TASS—"The off-shore zone in Kalmykia is becoming a reality", declared Kalmyk President Kirsan Ilyumzhinov in an interview with BUSINESS-TASS on Monday.

The Republic of Kalmykia, possessing lots of potential resources, is now facing the problem of attracting foreign investment, the president said. It was decided to make the creation of an off-shore zone on the republic's territory the center-piece of its investment programme.

The first step in the realization of this goal was the Kalmyk president's decree lowering the republic's tax rates on profit. The advantageous rates will be available for those enterprises and businesses which do not use local raw material and financial resources and which attract outside investment into the republic. Tax breaks are also planned for banks, insurance companies, and enterprises, whose capital is 100 per cent foreign.

This policy brought immediate returns. There are now many foreign companies, some of them quite large, who are applying to the Kalmykia mission in Moscow for permission to work in the off-shore zone. A branch of the republic's registration chamber has opened in the mission to deal with the applications. There are already about 100 foreign companies and firms working in Kalmykia.

Some of the most attractive aspects of the off-shore zone in Kalmykia are the republic's political stability, the low crime rate, and the absence of mafia structures.

Ilyumzhinov specially stressed that the off-shore zone in Kalmykia follows the principle of "environmental economy". This principle declares that all joint projects with the use of Russian or foreign capital are carried out only after a strict assessment of their environmental impact. "I am sure that the off-shore zone will show its first real results in two years", the president declared.

Cossacks, Administration Conclude Agreement

LD0606103194 Moscow ITAR-TASS in English 1016 GMT 6 Jun 94

[By ITAR-TASS correspondent Vyacheslav Bondarenko]

[Text] Rostov-on-Don June 6 TASS—Cossack pickets left the central square of Rostov-on-Don. The long drawn-out negotiations have resulted in an agreement under which the administration will transfer to Cossack land communities 30 billion rubles before June 25.

The regional administration has agreed to reorganise its committee for Cossacks affairs and to develop a mechanism for the use of hunting grounds and water supply and to grant nature conservation functions to Cossack communities. It was also agreed to give to the Cossack Union no less than one hour air time on the local tv a week.

Thus, the administration has complied with the main demands of the Cossack Union. Cossack chiefs will sum up the results of the agreement on June 12 when an inspection of Cossack units is make in Novocherkassk.

LDPR Sets Up Headquarters in Yekaterinburg

MK0306131094 Moscow SEGODNYA in Russian 3 Jun 94 p 2

[Irina Vladykina report under the "Ornithology" rubric: "Zhirinovskiy's "Falcons" Build Their Nest in the Urals. Liberal Democratic Party of Russia's Universities in Yekaterinburg"]

[Text] A reception was arranged in Yekaterinburg the other day for the opening of an LDPR [Liberal Democratic Party of Russia] headquarters in the city. According to LDPR Urals coordinator Vyacheslav Senko, the local organization numbers around 500 Zhirinovskiyites up and down the Urals. At the moment they are busy opening their own university and setting up a scientific research laboratory to study anomalous phenomena. True enough, under Mr. Zhirinovskiy's instructions, the party's membership and the presence of money in the party till cannot be divulged. But journalists have managed to find out that "himself" is planning a visit to Yekaterinburg in June.

After power ends up in the hands of Vladimir Volfovich [Zhirinovskiy], they were told at the Yekaterinburg LDPR headquarters, 30 seats in the State Duma would be made available to the Urals organization. In the meantime, the local organization of the Zhirinovskiy party sets itself the task of organizing a massive admission of new members into its ranks, and to start its own "URALS" newspaper.

Zyuganov Sees Support in Komi Republic

LD0306125994 Moscow ITAR-TASS in English 1138 GMT 3 Jun 94

[By ITAR-TASS correspondent Viktor Makarov]

[Text] Sytyvkar June 3 TASS—Chairman of the Executive Committee of Russia's Communist Party Gennadiy Zyuganov told a press-conference on Thursday that he was satisfied with the results of his just-concluded four-day trip in the Komi republic. Zyuganov, a State Duma member, held many meetings with workers in Sytykvar, Vorkuta, and Ukhta. Everywhere he went, he said, he was met with warmth and attention.

Zyuganov said that he had noticed "a shift to the left" in the Komi republic and Russia as a whole, which is attributable to the harsh realities of life today. He said he had expected a cold reception by the miners in Vorkuta, who have been famous for their support for Boris Yeltsin. However, his apprehensions proved to be unfounded, and he was also met "kindly" there.

Answering an ITAR-TASS question, the communist leader said he felt that his party had good potential for growth in the polar town, which has so far given rise to only 100 members of the Communist Party. There are about 1100 official communists in the whole republic of Komi.

Zyuganov considered the most important reason for the shift in the attitude of the Vorkuta workers to be their current living conditions, which he said determine one's consciousness. "The miners understood that they had been deceived and deceived badly. In every respect, miners today are in a worse position than they were earlier. Zyuganov mentioned noticing a shift to the left in the attitude of Vorkuta residents as well.

At all his meetings, Zyuganov appealed for a wide coalition of "state-patriotic forces" and for accord in the name of Russia. After the union of all the patriotic forces, the opposition "can and should change the power and the state system in the country in a constitutional way", he said. Possibilities for such action are appearing, since society in general is being "enlightened, although, unfortunately, slower than the country is being destroyed", the communist leader declared.

Karelia Temporarily Halts Privatization

LD0406133194 Moscow ITAR-TASS World Service in Russian 0716 4 Jun 94

[By ITAR-TASS correspondent Vladimir Zlobin]

[Text] Petrozavodsk, 4 Jun—The head of the Karelian government, Viktor Stepanov, has issued an instruction halting the privatization in Karelia of buildings and installations that are the republic's state property. Leasing them out has also been banned.

These measures are temporary, the document says. They have been taken to bring order to the questions of privatization. A special commission has been set up to check the use of buildings that are state property. The commission has been given until 15 July to present proposals on correcting the privatization process in Karelia.

Chita Expands Cooperation With PRC Border Area

LD0306131894 Moscow Radio Rossii Network in Russian 1100 GMT 3 Jun 94

[Text] A meeting has taken place in Chita between representatives of the autonomous region of Inner Mongolia in the PRC with Chita Oblast Administration Head Boris Ivanov. Our correspondent Vyacheslav Shirokiy reports:

[Shirokiy] This meeting was the logical continuation of the recent visit by Russia's Prime Minister Viktor Chernomyrdin to the PRC. That is why the further prospects for trade and economic, border and transport interaction between the two border regions of China and Russia were the main issues of the diplomatic meetings in the Transbaykal region. In particular, the sides decided to ask the governments of both countries about opening a PRC Consulate in Chita. True, initially, because of a shortage of funds, a branch of the PRC consulate in Khabarovsk will be operating in Chita. Apart from this, the Chita and Chinese sides noted the fact that their trade relations have reached a far higher level. Therefore, investing funds in joint enterprises for the production of consumer goods is now far more advantageous both for Russia and China: For instance, by the autumn a meat processing combine will be built jointly in Akshinskiy, in Chita Oblast.

The prospect of building the Irkutsk - Ulan-Ude - Chita - PRC powerline aroused considerable interest among the guests: Surplus electricity will pass from Russia to China and the other way round. It is planned to settle all these operations exclusively in freely convertible currency. The economies of the two countries are sufficiently developed for such a step, it was noted at the meeting.

Kuril Island Inhabitants Consider Secession

OW0506165394 Moscow Russian Television and Dubl Networks in Russian 0600 GMT 1 Jun 94

[V. Voropayev video report; from the "Dalniy Vostok" program]

[Text] Inhabitants of the southern Kuril Islands have sent telegrams to the Russian president, the Federal Assembly, and the oblast governor outlining their disastrous economic situation. A particularly tense situation has developed at the Yuzhno-Kurilsk fish processing combine—Kunashir Island's basic enterprise. High prices and astronomic transport costs have made Kuril goods completely uncompetitive. The fish processing workers expressed a negative attitude towards the Federal Kuril Islands Development Program. The Yuzhno-Kurilsk fish processing combine strike committee, in signing the telegrams, warns that there is a developing opinion among the people driven to despair about the expediency of the Kurils' secession from Sakhalin Oblast.

True, the strike committee did not elaborate further as to what the independent islands are going to do and whether this will help to improve the lives of the Kuril people. However, this is just another indication that neglect of the outlying regions' interests by the federal authorities could lead to an upset of stability in Russia's Far East. The meeting of the Russian Federation Government Commission for Operational Issues, on 25 May, noted the danger of the Maritime Kray's economic separation from Russia. This is further exacerbated by the critical social and economic processes in the Maritime Kray and the demographic pressures from neighboring China. As a countermeasure, it was proposed to form a commission to prepare proposals on the stabilization of the situation in the region and prospects for its development in the context of Russia's geopolitical interests in the Asia-Pacific region—this is a quote. This is how they express alarm in Moscow over the fate of far eastern Russia—mostly through lip service.

Bankers' Congress To Be Held in Vladivostok

944F0764C Vladivostok KRASNOYE ZNAMYA in Russian 2 Jun 94 p 1

[Report by Dmitriy Latipov: "What the Bankers Will Discuss"]

[Text] The goal set by the International Banking Congress, which will take place in Vladivostok on 12-16 September, is to discuss the problems of establishing a solid creditworthy regional banking system and strengthening its influence on the process of bringing the Far East's economy into the world market and Pacific economic integration.

The idea of the congress is supported by the Central Bank of Russia, a number of ministries and agencies, and the Central Bank's main administration for the Far East.

So what do the bankers intend to discuss at their congress?

First and foremost, the task is to give Asia-Pacific region financiers a real understanding of the state of the Russian Far East economy. There will also be a discussion of the state of the banking business in Russia and its special features in the Far Eastern region. The bankers will exchange experiences of business development in the course of reforming a national economy.

The International Banking Congress promises to be quite representative. About 300 foreign and Russian commercial banks, exchanges, joint-stock companies, joint enterprises, enterprises, and organizations in the Far East have been invited to participate. The names of just a few of them will suffice to get an idea of how impressive this undertaking is. For instance, among those who have already accepted an invitation to participate are the Central Bank of Russia, the Bank of Tokyo, the Deutschebank, Credit Suisse, the Manhattan Bank, the Russian-American Foundation, Far Eastern commercial banks, and others.

The congress will feature an exhibition of investment and innovation projects. The organizational committee is ready to accept such projects for review and assist in their placement.

It is assumed that the congress will adopt a declaration on the basic directions of interaction between Asia-Pacific region banks and will work out recommendations for Far Eastern commercial banks on development strategy and prospects.

The congress organizational committee addressed future participants: "We will be grateful to those bankers and joint venture entrepreneurs who are able to send to the congress organizational committee comments and proposals for improving foreign economic activities, foreign currency regulation, investment policy, and financial and organizational conditions. Please contact us at 71 Svetlanskaya, [Vladivostok] 690008, telephone 26-69-33, 22-80-19."

Svobodnyy-18 Town To House Far East Space Research Center

OW0406013694 Moscow Russian Television and Dubl Networks in Russian 0600 GMT 1 June 94

[V. Pokidov video report; from the "Dalniy Vostok" program]

[Text] Today, while the town of Svobodnyy-18 toils away in its normal routine manner, the chief center for space research is being created on the foundations of a former missile unit. The Ministry of Defense has already allocated half a billion rubles to ensure its survival and the city's development. [Video shows aerial shots of Svobodnyy-18 town]

New complexes for launching regular space rockets will be constructed on the basis of several launching pads that have survived. The first launch of this kind is planned for the beginning of 1996.

Everyone can see for themselves that it is perfectly safe to live and work in the space research center; the Geiger counter indicates a perfectly normal radiation background even near a blown up nuclear missile silo. [Video shows uniformed personnel inspecting exploded rocket silo]

What is the immediate outlook for developing Svobodnyy-18? This was the subject of our talk with Colonel Kalanchev, chief of staff of the center for space research.

[Begin recording] [Kalanchev] We have two leading documents on the basis of which we conduct our work. Thorough technical inspections of all buildings, structures, and technical systems have been carried out, and orders for necessary equipment have been placed. Plans have been made, and the necessary assets for implementing these plans are being accumulated.

[Pokidov] You have made an interesting statement: We are military people, and if we are ordered, we will launch a spaceship within a month.

[Kalanchev] Of course, we will not be able to prepare a serious launch within a month, especially if it is a booster rocket. But military unit No. 06-660, which has been created for the realization of these plans, will carry out its goals in accordance with the timetable set by Colonel General Ivanov, commander of the military space forces, and of course by the minister of defense.

[Pokidov] In other words, everything depends on financing.

[Kalanchev] On financing first and foremost, but also on goals and schedules set for us. [end recording]

International Affairs

Delegations Meet on 'Final Resolution' of Fleet Issue

LD0306132294 Kiev UNIAN in Ukrainian 1220 GMT 3 Jun 94

[Text] Sevastopol [no date as received]— Ukrainian and Russian expert working groups, led by Ukrainian Deputy Prime Minister Valeriy Shmarov and Feliks Gromov, the Russian navy commander in chief, met here on 3 June. At the meeting, the work of the experts on a final resolution of the Black Sea Fleet problem, which is to be achieved at a meeting in Kiev on 8-9 June, is being discussed. The Ukrainian delegation, including heads of the Ministries of Internal Affairs, Defense, and Foreign Affairs, the state property fund, and the Ministry of Economy, also plans to discuss Sevastopol's social and economic problems with the local authorities.

At the start of the meeting, Valeriy Shmarov stressed that the Ukrainian side stands firm on the question of political and military cooperation between the fleets in the Black Sea region and in the South as a whole. He emphasized that the division formula "must respect Ukrainian legislation, otherwise it would be unacceptable to the people and parliament of Ukraine." The Ukrainian side expressed the hope that the division not only of ships but of the coastal infrastructure and the Black Sea Fleet aircraft would be discussed. Feliks Gromov said that issues concerning the infrastructure and the deployment of aircraft cannot be resolved without political decisions at the top level.

Further discussion revealed that the Russian side has not yet provided an official list of its ships and that the ships are being divided, according to Ukrainian Navy Commander Volodymyr Bezkorovaynyy, "at random."

While in Crimea, Valeriy Shmarov plans to visit Sevastopol docks and Donuzlav. Shmarov noted that the division of property is probably one of the key issues at the talks. He believes that the situation in the Black Sea Fleet "should not be described as a separation, since in the long run we are creating two friendly forces."

Military Experts Completing Ship Lists

LD0306211094 Moscow ITAR-TASS in English 1905 GMT 3 Jun 94

[Report by UKRINFORM correspondent Mikhail Stetsyuk-TASS]

[Text] Sevastopol 3 June TASS—Military experts are completing lists of ships of the Black Sea Fleet to be divided between Russia and Ukraine, journalists learned although no official reports for the media are available.

The talks between Russian and Ukrainian military experts which have been going on for three days, were attended today by Ukrainian Deputy Foreign Minister Boris Tarasyuk, Vice-Premier Valeriy Shmarov and Deputy Ukrainian Defence Minister Ivan Bizhan, who arrived in Sevastopol on Friday to take part in the work of groups of military experts.

As for the division of naval bases and coastal infrastructure,the sides have been outlining their positions yet. These problems are expected to be high on the agenda of talks scheduled in Kiev on 8-9 June.

Yuriy Dubinin, special envoy of the Russian Foreign Ministry, has failed to arrive in Sevastopol today for unknown reasons, although he had been expected since yesterday. However, problems of the location of the fleets' bases are not likely to be discussed in Sevastopol without representatives of the Russian Government.

Fleet Division Nearly Completed

LD0306192394 Moscow INTERFAX in English 1603 GMT 3 Jun 94

[Text] Practically all proposals on the division of the Black Sea Fleet ships have been completed at talks between the Russian and Ukrainian delegations, Ukrainian Navy Commander Vladimir Bezkorovainy told INTERFAX-Ukraine.

He said that the parties had just begun to consider the issue on division of the coastal infrastructure and air forces.

The Russian delegation is headed by Russian Navy Commander-in-Chief, Admiral Feliks Gromov. Ukrainian Vice Premier Valeriy Shmarov leads the Ukrainian delegation.

INTERFAX learned from the Black Sea Fleet headquarters that Gromov had visited Donuzlav (one of the main Black Sea Fleet bases in Crimea, near Yalta). According to non-official information, Russia offered this base to the Ukrainian Navy.

Talks To Resume 8 Jun

LD0406161594 Moscow Mayak Radio Network in Russian 1430 GMT 4 Jun 94

[Text] The Russian fleet will definitely be located in Sevastopol. However, it is necessary to draw up the legal basis for this, Ukrainian Deputy Prime Minister Valeriy Shmarov told an INTERFAX-UKRAINA correspondent in Sevastopol, commenting on the results of a meeting between a Ukrainian governmental delegation and a delegation of Russian experts on the division of the Black Sea Fleet.

It is planned that the intergovernmental talks on the division of the fleet will be resumed in Kiev on 8 June.

The Ukrainian governmental delegation today left for Nikolayev, where it will visit the missile cruiser Ukraina, which is under construction there. It is expected that the cruiser, which will become part of the Ukrainian Navy, will be launched later this year.

Yeltsin, Kravchuk May Not Meet Before Elections

LD0306181494 Moscow ITAR-TASS in English 1759 GMT 3 Jun 94

[Report by ITAR-TASS correspondents Viktor Demidenko, Mikhail Melnik]

[Text] Kiev June 3 TASS—There may be no meeting of Presidents Leonid Kravchuk and Boris Yeltsin and signing of a large-scale bilateral agreement before presidential elections in Ukraine scheduled for June 26.

"We should first decide on division of the Black Sea Fleet, and then take more global steps," Ukrainian president told ITAR-TASS during a visit to a Ukrainian plant.

Kuchma Favors Economic Union With Russia

LD0306163594 Moscow INTERFAX in English 1412 GMT 3 Jun 94

[From the "Presidential Bulletin" feature: compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[Text] "I am in favor of economic union with Russia, on which we depend so much for energy supplies and a market," the presidential candidate and co-chairman of the Interregional Reform Alliance Leonid Kuchma told a press conference in Odessa.

He said "the non-competitive production of Ukrainian enterprises has so far found a market only in the eastern republics of the former USSR." However, he said "Ukrainian industry is in dire need of western technology, something which Russia is unable to give us."

Kuchma was convinced that Ukraine needed a strong centrist party for the Ukrainian president to lean on. "One possible basis" was his own Interregional Reform Alliance, he said.

Kuchma believes that only well-versed economists could put Ukraine's economic mess right. "I see no one to fit the bill among potential future prime ministers," he said.

Regarding the situation in Crimea, Kuchma pointed out that separatist moods on the peninsula could have been warned earlier, without creating a precedent for their encouragement. He said that the regions must be given broad economic stability rather than political independence.

"The Black Sea Fleet is a constant source of tension in Crimea," Kuchma commented. "The fleet must be leased in its entirety to Russia and the proceeds used to buy Russian oil and gas...Ukraine does not need such a huge or, for that matter, decrepit fleet," the presidential candidate said.

Talks Held With Russia on Gas Debt

LD0306172794 Moscow ITAR-TASS in English 1619 GMT 3 Jun 94

[Report by ITAR-TASS correspondents Viktor Demidenko, Mikhail Melnik]

[Text] Kiev 3 June TASS—Delegations from Russia and Ukraine are holding talks in Kiev today on the settlement of Ukraine's debt to Russia for supplied gas.

Chairman of the Ukrainian State Committee for Gas and Oil Supplies, Mikhail Kovalko, said that this year, Ukraine already owes the Russian Gasprom joint stock society a considerable sum of money in hard currency. The overall debt has been estimated at $850 million. "Today's talks with our Russian partners are very important," Kovalko said. The sides are expected to look into political problems connected with the further development of gas pipe line systems in Russia and Ukraine and an increase in exports of Russian gas to countries of Western Europe, Kovalko said.

"Chairman of the board of the Gasprom joint stock society, Rem Vyakhirev, told ITAR-TASS that they regard financial difficulties faced by their Ukrainian colleagues with understanding. Vyakhirev said that they approved of Ukraine's proposal to repay part of the debt at the expense of construction of houses for Gasprom workers in Russia. "Today, we intend to discuss the terms of construction and evaluate its cost," Vyakhirev said. "We are also interested in a more efficient use of Ukraine's gas pipe line system for exports of Russian gas to Western countries," Vyakhirev said.

Later in the day, the sides are expected to sign a contract on further cooperation in this field.

Talks Conclude

LD0406142794 Kiev UNIAN in Ukrainian 1330 GMT 4 Jun 94

[Text] Kiev—Two-day talks between the delegations of the Russian joint stock company Gazprom and Ukraine's gas industry and government officials ended on 4 June. A schedule for the Ukrainian consumers to service their debt for Russian gas was agreed. An accord was reached on creating favorable conditions for contracts for gas deliveries to be concluded directly by Ukraine's enterprises and Russia's Gazprom, as well as on commercial firms participating in the settlement of the debt. An agreement was signed on cooperation in expanding and revamping transit gas pipelines in Ukraine. To that end, a joint stock venture is to be set up by the end of this year. Agreement was reached on the transfer of 15 to 30 percent of the shares in Odessa's port works to the Russian joint stock company Gazprom as authorized by Ukraine's State Property Fund.

Japanese Firm To Supply Ukraine With Oil

LD0306180894 Kiev UNIAR in Ukrainian 1405 GMT 3 Jun 94

[Text] Kiev, 3 Jun—Ukraine's President Leonid Kravchuk met representatives of the Japanese multibusiness corporation ("Shiba-6") that expressed readiness to cooperate with Ukraine. In particular, (Moritoni Nakamura), the president of the corporation "Shiba," said about the corporation's intention to supply oil to Ukraine. Ukraine's President Leonid Kravchuk expressed satisfaction with the intentions of the Japanese businessmen and stressed that the trend in the work offered by the Japanese had good prospects for the future. Leonid Kravchuk pointed out after a thorough discussion that Ukraine will be ready for cooperation.

Joining Non-Proliferation Treaty 'Not of Great Urgency'

LD0206163794 Moscow INTERFAX in English 1422 GMT 2 Jun 94

[From the "Diplomatic Panorama" feature: By correspondents Igor Porshnev and Vitaly Trubetskoy]

[Text] The issue of Ukraine joining the Non-Proliferation Treaty is not of great urgency, believes one of the closest advisers of President Leonid Kravchuk.

"At present, the Ukrainian parliament must first of all consider economic issues," leader of the presidential service on foreign policy Anton Buteiko declared in his interview with the agency INTERFAX-Ukraine Thursday [2 June].

In his opinion, "Kiev fulfills the treaty's demands striving for a non-nuclear status" without joining the NPT Treaty.

On 1 June Ukrainian President Leonid Kravchuk submitted a draft decree on Ukraine joining the NPT Treat to the parliament for consideration. According to the project, "presence of nuclear weapons on the Ukrainian territory till its complete destruction does not contradict the Treaty."

In addition, Kiev intends to view "the violation of the territorial integrity and inviolability of its border on the part of any nuclear state" as a violation of the NPT [Non-Proliferation] Treaty.

Kravchuk is once more addressing the parliament with a proposal to join the treaty. On 3 February this year Ukraine's parliament expressed its intention to consider this problem in the future.

EU Envoy Says Agricultural Aid Matter of Priority

LD0206211794 Kiev UNIAN in Ukrainian 2000 GMT 2 Jun 94

[Text] Kiev [no dateline as received]—Today, experts from the European Union's [EU] Technical Aid Program to CIS Countries (TACIS) held a news conference on assistance to Ukraine in agricultural production and food distribution.

Under the TACIS program, a total of 150 million ECU [European currency unit] has been provided for Ukraine since 1991. It was agriculture, however, that Luis Moreno, EU ambassador to Ukraine, described as a priority aspect of the program that mostly deals with consultative and technical assistance. Around 100 million ECU worth of food will be given to Ukraine. Luis Moreno expressed the hope that the volume of agricultural production in Ukraine will, in 10 years, be the second largest in Europe.

EU experts Stuart Lisor and Patrik Pyusemye spoke about the implementation in various areas of Ukraine of aid programs to modernize the infrastructure of baby food manufacture and production of meat, milk, vegetables, fruit, animal feed, the improvement of wholesale and retail food distribution, and the privatization of food stores.

National Affairs

Deputy Speaker Receives CSCE Commissioner

LD0306210994 Moscow ITAR-TASS in English 1936 GMT 3 Jun 94

[Report by UKRINFORM for TASS]

[Text] Kiev 3 June TASS—A meeting of Deputy Ukrainian Parliament Speaker Oleg Demin with CSCE High Commissioner for Ethnic Minorities Max van der Stoel was held here today. The commissioner has arrived in Kiev on a working visit at the invitation of the Ukrainian Government.

The deputy speaker informed the visitor of the current social, economic and political situation in Ukraine, the work of the new parliament and the situation in the Crimea, where a Ukrainian parliamentary delegation is searching for constitutional and law-governed ways to settle the problems.

In his turn, Max van der Stoel said he values high the Ukrainian policy on ethnic relations, including the provision of ethnic minorities rights. In his opinion, this policy is a model one.

He counts on the Ukrainian and Crimean governments to start negotiations and find a way out of the situation. In his opinion, there are plenty of ways and one should only wish to use them.

Max van der Stoel called for larger and more efficient assistance to Ukraine in order to help it overcome the economic crisis. He stressed he will initiate this and other issues within the limits of his competence and abilities.

The meeting was friendly and cordial, and proved high interest of the sides in development of comprehensive cooperation and settlement of all disputable issues in a legal way and through compromises which unite people and bring them peace and good.

CSCE Commissioner on Crimea

LD0406145694 Moscow ITAR-TASS in English 1435 GMT 4 Jun 94

[Report by UKRINFORM correspondent Alexey Trotsenko]

[Text] Kiev, 4 June (TASS)—A major principle of CSCE is inviolability of borders; this principle should be the basic one in the search for mutually acceptable solutions of Ukrainian-Crimean problems, CSCE High Commissioner for Ethnic Minorities Max Van der Stoel said here today.

The high commissioner has been to Ukraine on a four-day visit to meet Ukrainian and Crimean officials and discuss the situation around the Crimea.

In his words, CSCE will render comprehensive assistance to the settlement of Ukrainian-Crimean problems on the basis of inviolability of borders.

Says CSCE Ready to Assist

LD0406164294 Kiev UNIAN in Ukrainian 1600 GMT 4 Jun 94

[Text] Kiev—A news conference by Max van der Stoel, CSCE high commissioner for minorities, took place today at Ukraine's Ministry of Foreign affairs. He is visiting Ukraine for the third time in the last six weeks.

Max van der Stoel said that the CSCE Standing Committee (a body representing 53 countries of Europe) adopted a decision on 26 May, confirming the CSCE's readiness to assist in regulating the situation in Crimea. In the opinion of the high commissioner, as well as talks between the parliaments, talks should be held between the governments of Ukraine and Crimea. It was also noted that a meeting of senior CSCE officials would take place in Prague on 13 June, at which Max van der Stoel would deliver a report on the results of his visit to Ukraine.

Further on Visit to Crimea

LD0506041594 Kiev UNIAR in Ukrainian 2100 GMT 4 Jun 94

[Text] Kiev, 4 Jun—The conflict between Ukraine and its autonomy, the Republic of Crimea, evokes serious disquiet in the world community. This explains why Max van der Stoel, CSCE high commissioner for minorities, is visiting Ukraine for the third time in a month and a half. After returning from Crimea, he gave a news conference that was devoted to the results of his visit to Ukraine.

Max van der Stoel acquainted the Ukrainian and foreign journalists with the program of his visit. Most important were meetings with senior officials of Ukraine and Crimea. The CSCE high commissioner had an hour long conversation with Ukraine's president and twice met Deputy Prime Minister Mykola Zhulynskyy. In Kiev, he had talks with Oleksandr Yemets [minister for nationalities and migration], Anatoliy Zlenko [minister for foreign affairs], and Roman Shpek [minister of the economy]. In Crimea, van der Stoel met President Yuriy Meshkov, Deputy Prime Minister Yevgeniy Saburov, and Crimean Supreme Council Chairman Serhiy Tsekov.

The important guest's visit to Simferopol coincided with the consultations on the situation in Crimea between the parliamentary delegation of Ukraine, headed by Mr. Butkevych, and the delegation of the Republic of Crimea. The main conclusions drawn by the CSCE high commissioner for minorities were that both sides had taken part in the talks. Max Van der Stoel stressed, however, that, in addition to discussions at the level of parliamentary delegations, talks at the level of the governments of Ukraine and Crimea would not hurt. It is important to the high commissioner that the governments of Ukraine and Crimea confirm their wish to avoid incidents.

The aim of van der Stoel's mission was to find ways for the CSCE to contribute to maintaining peace and stability in the region. According to the high commissioner, his organization is ready to extend a helping hand in resolving the problems that have arisen between Ukraine and its autonomy. Van der Stoel refused to comment on exactly what sort of help this should be, but noted that he would submit his conclusions to the participants of the consultation of CSCE countries in Prague on 13 June. He believes the Crimean issue to be a domestic conflict between Ukraine and Crimea. Regarding the influence of Russia, which is a CSCE member, on the Crimean issue, it should be guided in its actions, like all countries, by the main principle of the inviolability of borders and respect for the territorial integrity of states.

At the news conference, van der Stoel reported to the press the decision by the CSCE standing committee of (?28) May. The standing committee, a body representing 53 countries of the world, expressed concern at the development of events in the Republic of Crimea because they run counter to the basic principles of the CSCE.

The last question at the news conference concerned the latest "Ostankino" "sensation" regarding the presence of 120 Ukrainian paratroopers in Belbek. "I did not inspect the territory of Crimea, van der Stoel said, but everything I saw refutes these wild rumors. The situation in Crimea looks very calm."

To Examine Crimean Issue 13-16 Jun

LD0506162494 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 5 Jun 94

[Text] Max van der Stoel, CSCE high commissioner for minorities, has been visiting Ukraine since 31 May until 4 June. The aim of his visit was to study the situation in the Republic of Crimea, which took shape after its Supreme Council adopted a decision on restoring the 6 May 1992 wording of the Crimean constitution and also to work out recommendations concerning the participation of the CSCE in its settlement.

During the visit, Mr. Max van der Stoel had meetings with President Leonid Kravchuk, high-level officials of Ukraine and Crimea, and representatives of public organizations. The high commissioner highly assessed the balanced stand of Ukraine's leadership, based exceptionally on the provisions of the Constitution of Ukraine in its approaches to the solution of the Crimean issue.

Max van der Stoel emphasized the necessity of abiding by the fundamental principles of the CSCE, especially such principles as ensuring territorial integrity and inviolability of borders and also the necessity of the soonest possible settlement of the situation on legal principles.

The issue on the situation that took shape as a result of the actions by the Crimean leadership and the possible promotion of its solution on the part of CSCE is to be considered at a sitting of the CSCE committee of Senior officials, which will take place in Prague on 13-16 June.

Crimean Supreme Soviet Hears Russian State Duma Appeal

LD0306144894 Moscow Ostankino Television First Channel Network in Russian 1400 GMT 3 Jun 94

[Report by Vladimir Plotnikov from Simferopol; from the "Novosti" newscast]

[Text] A session of the Crimean Supreme Soviet today heard an appeal from the Russian State Duma which is ready, with account having been taken of the whole sensitivity of the situation that has come about, to do everything in its power to help in the search for constructive compromise on the basis of the Russian-Ukrainian Treaty of 1990.

For two centuries, reads the appeal, Crimea has served—and will serve, we are convinced of that—the interests of the fraternal peoples of Ukraine and Russia. Also today President Yuriy Meshkov said that the CSCE representative put forward a similar initiative.

As for the talks, they are currently continuing within the framework of the joint working commission. The main issue on which the consensus is being sought is an international human rights bill. The Crimean Supreme Soviet session is also under way at the same time. The issue of forming the government has been under consideration since the morning. Despite the fact that Deputy Prime Minister Yevgeniy Saburov met the deputies' requests more than half way, the deputies have, nonetheless, adopted not his, but their own draft resolution as the basis. The debate was prolonged into the evening hours.

Crimea Ready To Work With Kiev After Group Meeting Ends

LD0306174694 Moscow INTERFAX in English 1603 GMT 3 Jun 94

[Text] The two-day talks in Simferopol between the Ukrainian and Crimean parliamentary delegations resulted in decision to set up a permanent joint parliamentary working group on social and economic issues.

Moreover, a joint working group will be established in order to bring the Crimean legislation in conformity with the Ukrainian constitution and laws.

A Crimean delegation member, Chairman of the parliamentary Commission on State Construction Sergey Nikulin told INTERFAX-Ukraine that Crimean and Ukrainian parliamentarians had agreed that Crimean and Ukrainian legislation did not conform with each other on many points.

Nikulin said that this resulted in the inability of Crimea to pursue an independent economic policy.

He said that the issues on a treaty basis for bilateral relations and dual citizenship had not been discussed during the talks.

During the last month Ukrainian-Crimean relations were focused on the treaty basis for relations and on dual citizenship. The Crimean parliament restored this provision when re-establishing the Crimean constitution of 6 May 1992. The Ukrainian parliament disagreed with this and adopted the appropriate decision on 20 May urging the Crimean parliament to go back to the former version of the Constitution.

Nikulin stressed that this issue could be re-considered after Ukraine adopted its new constitution.

Commenting on the talks, Nikulin said that the Crimean delegation was even surprised with the complete understanding of its position by Kiev. "We want and we are ready to work together," he added.

This evening the Ukrainian parliamentary delegation will leave for Kiev.

Crimean Supreme Council Approves Appointment of Ministers

LD0306181994 Moscow ITAR-TASS in English 1744 GMT 3 Jun 94

[Report by UKRINFORM correspondent Lev Ryabchikov for TASS]

[Text] Simferopol 3 June TASS—The Crimean parliament has debated the republican government structure all day long today.

Parliament commissions and factions have discussed the structure for a long time, and elaborated three drafts of the corresponding law. The draft of the standing commission for state building, legislation, lawfulness and legal order coordinated with the government has been basically approved.

The draft includes a number of changes and amendments to the current law on the system of central bodies of the Crimean state executive power. Under the document all ministries and state committees of the republic shall be formed and liquidated by the parliament on proposal of the president. The minister shall be a government member, appointed and removed from his post by the president on coordination with the parliament. The government can also include heads of other central bodies.

The suggested number of ministries and state committees provoked parliament debates. It was finally decided to form key ministries in order to enable government work. Proposals on other ministries and committees will be submitted by the government to the parliament within two weeks.

Asked about the discussions, Vice-Premier Yevgeniy Saburov told UKRINFORM "it is a normal procedure. At the same time, the situation is rather tense and we cannot afford even a week. We should do it more quickly. But we have opponents in the parliament, and they are using all methods to protract the process. I am not sure everything will end today".

Despite this forecast, the parliament quickly agreed to confirm the appointment of Anatoliy Franchuk minister for control over state enterprises, Sergey Nikolskiy minister for agriculture and foodstuffs, Andrey Chernyavskiy minister of economy and Lyudmila Zaitseva minister of finance. The last three have moved to the Crimea from Moscow.

Working groups of deputies from the Ukrainian and Crimean parliaments continued working simultaneously with the debates to elaborate proposals on settlement of the Crimean problem.

Saburov Surveys State of Crimea Economy

944K1352A Simferopol KRYMSKAYA GAZETA in Russian 1 Jun 94 p 2

[Speech by Republic of Crimea Deputy Prime Minister Yevgeniy Saburov at SEFRI seminar; place and date not given, rendered by Galina Kostina: "Crimea's Potential Is Great, But the State of Its Economy Is Absolutely Dismal..."]

[Excerpts] We have already reported that at a meeting with the participants of the SEFRI seminar and French Ambassador to Ukraine Michel Peissic, Yevgeniy Saburov attempted to outline in condensed form the economic situation in Crimea. We believe that the deputy prime minister's view of the realities, illusions, and prospects of the Republic of Crimea's development and his proposals on reforming the economy are of interest to Crimea residents and our readers.

Not many people know about the Crimea. I apologize for such a statement, but while I was born in the Crimea and am familiar with it, I never thought that it possessed such immense potential. Briefly, the southern zone, which occupies a fairly small territory, is a recreation zone. Next is the zone of agriculture—elite agriculture, I would say. It is viticulture and tobacco-growing in the south, fruit and vegetables, and in northern Crimea—hard varieties of wheat. The industrial zone also is not common knowledge, in particular, the military-industrial plants. There are some very modern high-technology plants, extremely interesting, which produce competitive products. For instance, there is a plant—and I was astonished by this fact—that has orders from West Europe all the way through the year 2000. It is the Kerch plant Zaliv, which makes tankers. There is a rather substantial chemical industry in northern Crimea, some of it unique.

The Crimea has many ports. In Kerch, for instance, practically every plant has its own port. The Sevastopol ports are well known, but not all of them—and there are many. Donuzlav and Feodosiya are very interesting ports. In Chernomorskoye there is a Gazprom port, since gas is produced there, in the Tarkhankut area—quite a bit of it; there is also oil.

I want to mention one more fact, probably amazing to many: The Crimea has an absolutely fantastic airfield potential—there are 11 airfields, eight of which can accept "shuttles." They were used for testing the newest aircraft and aircraft carrier-launched aircraft.

This is its potential. But the current state of the Crimean economy is absolutely dismal. Plants are on the verge of stoppage; even Zaliv, which I mentioned, is in trouble. All the wine cellars are filled with our famous wines—a complete glut at a time when the demand for them, particularly in Russia, is enormous. Practically all industry and agriculture are near collapse. There is no money, and frequently no notion of how to utilize all this now. And, what is completely amazing, sometimes there is no understanding that the issue of production is not that important—the important part is to sell all the output. Amazingly, some enterprise directors still cannot grasp this notion. There is a quiet hatred toward middlemen who themselves do not produce anything and just want to make a profit at someone else's expense, but at the same time the directors themselves cannot sell anything. And if professional traders come to them, they are treated like gangsters. This is a problem that is described by a word that is fashionable these days—mentality.

We need to utilize the Crimea's potential. I believe this is not all that difficult to do. There is no other such elite region on the territory of the former USSR. I believe that this potential can be made to work rather quickly, but naturally serious reorganization is in order. What stands in the way of transformation—other than the mentality I mentioned? The absolutely unbelievable, terrible barriers we have erected between us. Since the Crimea is not Russia, Russia happily applies a custom duty on, in particular, Crimean wines, so that although the production cost is quite low, the price in Russia becomes very high.

Obstacles pop up in the most unexpected places. For instance, there is a Crimea-Caucasus ferry in Kerch Bay; it gets filled up on the Russian side, where a declaration has to be filled out for export of fuel and lubricant materials. [passage omitted]

Having come here, we decided to begin by removing the most glaring barriers to normal economic activities. In our opinion, it was prohibitive taxation. I was used to the fact that everybody in Russia complained about high taxes, but when I saw Ukrainian taxes, I was totally lost and could not figure out how anyone can work here at all. One of the specialists who came with me, after a good look at Ukrainian taxation, exclaimed: "My goodness, this is Abalkin's garrote, the shadow of forgotten forebears." We prepared, and the president of Crimea issued, an edict on changes in taxation. We no longer had any tax revenue, because nobody had any profit anymore. Lightening the tax burden in principle increased the tax revenue rather quickly. The second was, naturally, an edict of foreign currency regulations. It was not profitable to work with foreign currency. Foreign currency was confiscated at an exchange rate far below the real one. A free-floating foreign currency exchange rate is, in my opinion, an elementary requirement. The Ukrainian Government is killing its own exports and then wonders why it cannot pay for gas. Then they want to collect even more money to pay for gas, and then they absolutely cannot pay. I think this is self-strangulation.

The third edict is the edict on banks and banking activities. The most important part is that we want to lower the charter capital requirement. Ten million ECU is too much; at 1 million some Russian banks already expressed an interest in working here, in particular, Tveruniversalbank, Menatep, and Inkombank. This would resolve many problems of transfers.

It was a pleasant surprise for me to find out that many Ukrainian ministers support us. Our actions were to the liking of the main members of the cabinet, except the very top echelon.

Next we intend to seriously get into the process of privatization. The Ukrainian privatization scheme is quite dangerous. While the Russian scheme envisages a quick transfer of capital, and therefore the process of restructuring, in Ukraine, with its registered vouchers and absence of an investment fund, it is unclear how the transfer of capital will take place. Therefore we would like to utilize a somewhat different scheme. Of course, our dream would be to have the scheme that is being used by the Germans in the eastern lands. But this may take decades.

The purpose of privatization is more efficient operation of these production facilities—not collecting money for the treasury, as some think. I am fully convinced that it is not possible—and not necessary—to get any money for the treasury from privatization. The money some are able to pay for privatization should be invested in that same production, because there is not a single production facility right now that does not need investment. The treasury should count not on these one-time handouts from heaven—it should count on taxes from successfully operating enterprises. We need them to work.

This logic dictates the following method: Since we need to push citizens' money into privatization and investment, the voucher method is good as bait, to make them feel like a proprietor. After that, investment funds should get to work.

As early as 1988-89, when we discussed privatization programs, Western specialists advised us: You need to create investment funds, which will accumulate capital, since nobody will be able to invest such money on an individual basis.

As to the labor collective as proprietor, this is possible at small enterprises (small store or shop). People know one another in such places, trust one another, have responsibility toward one another; they understand that this really is their money, their income. As to large enterprises, this means stoppage. Privatization without investment is a myth.

The potential also can be seen from different angles. There are absolutely amazing illusions in the Crimea. One of them is that Crimean sanitariums are such a treasure that the whole world will rush to buy them, elbowing each other out of the way. What are we talking about when they do not even have normal plumbing? Generally, regarding recreation, I agree that very interesting work is underway on the southern shore of the Crimea, but I personally would not go for existing sanitariums. Unfinished construction—yes. But even better—new zones that could be developed into resorts. In particular, I have in mind Tarkhankut, which could easily become Crimea's second recreation zone.

I see the following areas as interesting for development and for applying oneself: banking, processing of agricultural products, marketing, trading Crimean wines, production and sales of the best varieties of tobacco—for instance, Dubek, which should be revived. In industry—air fields, ports, any industry where resource-saving technologies can be used; in short, everything I described as Crimea's potential.

Crimea Amends Law on Structure of Executive Power

LD0306203594 Kiev UNIAN in Ukrainian 1630 GMT 3 Jun 94

[Text] Simferopol [no dateline as received]—At the morning sitting of the Crimean Supreme Council session on 3 June, people's deputies approved the law "On introducing amendments and additions to the law 'On the structure of the state executive power.'" In accordance with it, eight ministries are to be set up and the government is charged with considering and submitting, within 14 days, additional proposals to the Supreme Council about the structure of the government, i.e. about setting up several more ministries: A ministry of culture, a ministry of education, and a ministry in charge of nationalities and deported nations. In accordance with this law the appointment of the minister of finance, the minister of agriculture and food, the minister of economy, and the minister in charge of control over state enterprises will be confirmed. The minister of justice, the minister of internal affairs, and the chief of the Security Service, whose appointments have already been confirmed, are within the composition of the government.

During a break there was a news conference by the group "Respublika" of the Supreme Council of Crimea, which was registered on 2 June and which consists of 10 people. Volodymyr Klychnykov, chairman of the Crimean Union of the Afghanistan war veterans was elected its leader. According to the leaders of the "Respublika" group, which comprises part of the deputies who were running in the election to the Crimean Parliament on behalf of the "Rosiya" bloc, the setting up of the group does not mean a split of this bloc. The above deputies could not join the "Rosiya" group due to certain disagreements, above all, those concerning that provision of the statute according to which a decision of a majority is mandatory for all its members. Besides, said Klychnykov, there were personal conflicts between the leaders of the "Rosiya" group. He also emphasized: "We will work for the consolidation of the Crimean Republic's statehood."

As far as the future of Crimea is concerned, deputy chairman of the "Respublika" group pointed out that he favored Crimea's independence, however, it should be achieved by peaceful means, and it can be achieved, in his opinion, only after the people of Crimea become aware of themselves as a nation.

An appeal by Russia's State Duma has been sent to the Supreme Council of Crimea. It, in particular, expresses the hope that "the deputies to the Supreme Councils of Ukraine and Crimea will not allow irresponsible politicians to endanger peace and people's safety for the sake of reaching their selfish goals and taking advantage of the current moment." The Russian State Duma offered itself as a mediator in solving the conflict between Crimea and the authorities of Ukraine, so as to reach constructive compromises on the basis of a Ukrainian-Russian dialogue.

President of Crimea Yuriy Meshkov reported at the session that the commission of the Conference on Security and Cooperation in Europe is also ready to become a mediator in this issue.

Crimean Parliament Shows Muscle to President Meshkov

MK0406131594 Moscow NEZAVISIMAYA GAZETA in Russian 4 Jun 94 p 1

[Report by Aleksandr Pilat in the "Crimea" column: "Parliament Confronts the President. Those Who Have Brought Meshkov to Power Are Not Content With His New Policy"—"Postscript" by Aleksandr Anin]

[Text] It was reported earlier that the Crimean parliament has rejected President Yuriy Meshkov's request to grant him additional powers. Following are some details of that session.

At the very start of the resumed parliament session Crimean President Yuriy Meshkov moved to include in the agenda the question "On the Results of the 27 March 1994 Poll of Crimean Republic Citizens: On According Presidential Edicts the Power of Laws on Matters Which Temporarily Are Not Regulated by the Legislation of the Crimean Republic." Deputy Leonid Grach spoke up immediately: "This contradicts the constitution of Crimea on the inadmissibility of delegating powers from one branch of power to another." Deputy Boris Kizilov noted, "It is not clear yet who summed up the results of the poll and how," (the poll results were summed up by the president's team without the participation of the Crimean Central Election Commission—NEZAVISIMAYA GAZETA), "and therefore the poll results do not have legal force." Deputy Vasiliy Kiselev pointed out that many of Yuriy Meshkov's edicts have been issued in gross violation of the Crimean republic's constitution, continuing, "Any usurpation of power is illegal, the constitution says. Until we have changed this provision of the Constitution, we cannot grant the president such powers."

Speaking one after another, deputies, with rare exception, maintained that they can tackle any questions and that there is no need to grant the president additional powers. Mikhail Kukushkin said, "All actions by the president are reminiscent of an election fever. He is trying to prod the deputies to climb on top an armored car again."

In the end, the issue was taken off the agenda. Therefore, in spite of the fact that the majority of deputies were elected from the Rossiya bloc, which, incidentally, brought Yuriy Meshkov to power, there is no agreement between him and parliament. Observers believe that confrontation will only grow in the future.

P.S. In supporting Yuriy Meshkov in presidential elections, the Rossiya bloc expected that its representatives would get key posts in the Cabinet of Ministers. Meshkov, however, invited Muscovite Yevgeniy Saburov to head the government, who in turn brought a Moscow team along to Simferopol.

Rossiya and the Impeks-55 commercial and financial group behind it could probably agree with this if they knew exactly that in the upcoming privatization they would retain the supreme right to control land and real estate on the peninsula.

But the fact is that no one is sure that the Saburov team will not fertilize Crimean privatization with Russian capital. Rather, there is a certitude to the contrary: As soon as Yevgeniy Saburov came to Simferopol, he said that he favors broad participation of foreign money in Crimea's economy.

Today, having finally appreciated what Saburov meant by "foreign," yesterday's presidential support group would like to get rid of the visiting premier—and the sooner, the better. By its latest demarche parliament warns Yuriy Meshkov, as it were, about the possible consequences he would face if he continues to keep his Moscow protege afloat.

Talks With Crimean Parliamentary Delegation End

LD0406141594 Moscow Radio Rossii Network in Russian 1300 GMT 4 Jun 94

[Text] Parliamentary delegations from Ukraine and Crimea have ended talks in Simferopol on the settlement of the Crimean problem. In a final document, the participants noted that proposals for coordinating the two sides' legislations should be prepared by 15 June. At the same time, the delegations agreed that the Ukrainian constitution has supremacy over other laws on the territory of Crimea.

It was decided to set up a joint working group which will deal with the delineation of authorities between Ukrainian and Crimean state structures. At the same time amendments will be made to Ukrainian laws.

The delegation from the Ukrainian Supreme Soviet asked President Leonid Kravchuk not to take any measures against the Crimean authorities. The Ukrainian delegation also addressed a similar request to President Yuriy Meshkov.

INTERFAX reports that Oleksandr Moroz, chairman of the Ukrainian parliament, plans to arrive in Simferopol on Wednesday.

Defense Ministry Denies Troops Sent to Sevastopol

MK0406082094 Moscow SEGODNYA in Russian 4 Jun 94 p 1

[Unattributed report: "Ukraine's Military Agency Denies"]

[Text] The Ukraine Defense Ministry denied 3 June an ITAR-TASS report to the effect that more than a hundred Ukrainian paratroopers have been redeployed to the Belbek airfield near Sevastopol. TASS claimed their objective was to prepare the airfield for a landing, if necessary, of large Ukrainian military units.

Guard Commander Says Units Not Deployed

LD0406021594 Kiev UNIAR in Ukrainian 2215 GMT 3 Jun 94

[Text] Kiev, 3 Jun—The "Ostankino" television company has disseminated information that subunits of Ukraine's National Guard supposedly arrived with fighting equipment on the Crimean peninsula on 3 June. Guard Colonel Oleksandr Kostyukov, commander of the Simferopol brigade of Ukraine's National Guard, has reported that this information does not correspond to reality. These subunits are not being brought in, and this is not envisaged in the future.

The press service of the commander of Ukraine's National Guard has reported this.

State Program for Military Hardware Production Disclosed

LD0406161694 Kiev UNIAR in Ukrainian 1450 GMT 4 Jun 94

[Text] Kiev, 3 Jun [date as received]—Lieutenant General Lev Hnatenko, the chief of armaments staff, made public new state programs for designing, manufacturing, and repairing armaments for the Armed Forces of Ukraine. The Malyshev plant in Kharkov will build most sophisticated tanks, the Antonov plant in Kiev will build aircraft, the "Arsenal" plant in Kiev and "Pivdenmash" in Dnepropetrovsk will manufacture small fire arms. Ten new naval ships are being built and modern "air-to-air" missiles are being designed.

Defense Ministry Collegium Evaluates Winter Training Period

LD0406023494 Kiev UT-1 Television Network in Ukrainian 1800 GMT 3 Jun 94

[Text] An extended session of the military collegium of Ukraine's Ministry of Defense took place on 3 June. Our free-lance military correspondent reports:

[Correspondent] The combat training of Ukraine's Armed Forces during the winter training period was summed up at the session under the chairmanship of Army General Vitaliy Radetskyy, minister of defense.

The main conclusion drawn at the collegium was that the troops had achieved a high level of discipline and combat capability during the winter period. This allows one to efficiently fulfill the main task of Ukraine's Armed Forces: to defend the state's sovereignty and territorial integrity.

At this session of the military collegium, the minister of defense set tasks for the summer training period and outlined the set of issues that it is necessary to resolve urgently. Among them are the tasks of establishing strong statutory order and military discipline in the units and subunits and to prevent injuries and noncombat losses among personnel. Commanders at all levels should pay great attention to the storage and operation of hardware and armaments and to the precise organization of mobilization work.

Radetskyy stressed that resolute and urgent actions would continue to be used in relation to officials who abuse their official position and have an indifferent attitude to the theft of military property and other illegal actions by servicemen.

Supreme Council Discusses Local Election Procedures

LD0306135594 Kiev UNIAN in Ukrainian 1220 GMT 3 Jun 94

[Text] At the beginning of the morning plenary sitting of the Supreme Council of Ukraine on 3 June, at the request of people's deputies Volodymyr Marchenko and Vyacheslav Chornovil, it was decided that on 12 June the interpretation of several articles of the Law of Ukraine "On the election of people's deputies of Ukraine" will be considered.

People's deputy Petro Sheyko said that in accordance with the application, Vasyl Durdynets was dismissed from the post of chairman of the "Center" group. Anton Buteyko was elected its chairman and Volodymyr Yavorivskyy and Valeriy Kolomoytsev were elected his deputies.

An issue on the draft law "On introducing amendments and additions to the law "On the formation of local bodies of power and self-government," approved at the first reading on 2 June, was put on the agenda. Serhiy Sobolev, member of the commission for issues of legal policy and judicial and legal reform, reported that at the sitting of the commission on 2 June, attended by all interested deputies, it was resolved to submit only one amendment for consideration by the session: to cancel direct elections of chairmen of oblast councils and hold elections of chairmen of the Kiev and Sevastopol city councils.

According to Serhiy Sobolev, such an amendment to the law will essentially change the election procedure and, therefore, relevant amendments should be introduced to the constitution of Ukraine. After a brief discussion two proposals were submitted for consideration: one by Serhiy Sobolev and also a proposal by Vasyl Kornelyuk not to consider amendments to the law at all, because there is only little time before the elections.

After a break, representatives of groups and groupings were given the floor to speak on the issue under consideration. Representatives of National Democratic groups insisted on the necessity to cancel direct elections of chairmen of oblast councils because, in their opinion, this would inevitably lead to the emergence of "25 princes accountable neither to the Supreme Council nor to the head of state."

Serhiy Holovatyy reminded that the decision on direct elections was approved at the request of Ivan Plyushch with no written text available to the deputies and in the absence of a quorum.

Representatives of left-wing groups as well as the interregional deputy grouping and "Unity" group insisted on the necessity of preserving direct elections of chairmen of oblast councils. By a majority of votes the proposal by the Supreme Council commission for issues of legal policy and judicial and legal reform to cancel direct elections of chairmen of oblast councils was declined,

After this the deputies continued to approve the composition of the Supreme Council standing commissions.

Kravchuk Says Elections May Ruin Executive Power

LD0406150294 Kiev Radio Ukraine World Service in Ukrainian 1200 GMT 4 Jun 94

[Text] On 3 June Ukraine's President Leonid Kravchuk visited open-type joint-stock society KievHuma [Kiev rubber]. The following report is presented by Yuriy Horban.

[Horban] Leonid Kravchuk acquainted himself with the products of this enterprise, which is one of the first joint-stock societies in Ukraine, and also met the working collective and representatives of the Union of Independent Entrepreneurs. Therefore, not only the activity of a definite production unit but the entrepreneurial movement as a whole was a subject of discussion.

According to certain speakers, the wild process of accumulating capital, which some of their colleagues in Ukraine have abused before now, is almost over. The prestige of the state, the firm and even trademark becomes ever more prevailing in the activities of the new structures. It was emphasized that private enterprises, like state ones, now require stability most of all, first and foremost a stability of legislation. It is not for the first time that issues of foreign economic activities, taxation and exchange rate policies and currency regulation were discussed. The unsatisfactory nature of the relevant laws scares potential investors off Ukraine and leads to a total collapse of the state's economy.

The participants in the meeting emphasized their support to the economic movement on way of reforms and expressed their belief that President Kravchuk is the main guarantor of their implementation. As was pointed out, certain political forces wish to blame the reforms, the market and entrepreneurs for all the economic troubles, although they themselves torpedoed these reforms and continue to torpedo them.

In his speech, Leonid Kravchuk emphasized his loyalty to the course of economic transformations and also spoke out in favor of the state sector where 90 percent of the economic capacities are concentrated today. The president of Ukraine referred to power engineering and agriculture as the industries which require most of the state's support. Leonid Kravchuk analyzed the causes of the crisis and referred to the contradiction between market laws and anti-market ones and also failure of public opinion to accept the high rate of a transition to a new system as one of the causes. The president also expressed his views concerning the current political situation.

[Begin Kravchuk recording] As far as the elections are concerned, well, the Supreme Council took a decision that the elections would take place and there would be no changes. In other words, we are now entering a permanent process of elections. On 26 June, [pauses] It is clear that this will not be the end. I am not sure that all will be elected on 26 June. If the president is not elected, on 10 July there will be a repeat election. Then, in one month's time there will be elections to local bodies. On 24 July they will again fail to elect all the 112 deputies and again they will postpone the elections. That is to say, we shall enter the new year on the wave of elections.

I have honestly done everything possible to prove that these elections today, even proceeding from the fact that they are necessary, are dangerous and ineffective because they have no legal basis. Nowhere in the world, [pauses] Ukraine will be a unique state which is holding elections having neither provisions in the Constitution nor the laws which would regulate the power bodies. When I tell this, they say: You are telling this just to retain your post. And the overwhelming majority of people, let us say, [passage indistinct], can believe that this is the only desire of the current president.

I was telling the Supreme Council that the Supreme Council assumed huge political and historic responsibility. If no laws regulating and determining the structure of power bodies at the local level are adopted, we shall have the executive power completely ruined. I underline this: completely ruined. We shall have 25 Crimeas or even more, because today, as the president, I can rescind a decree by the president of Crimea in compliance with the Constitution, however no one, neither the president nor the government, can rescind a decision by a chairman of the oblast council. [end recording]

More on Kravchuk Briefing on Crimea, Election

PM0306155594 Moscow IZVESTIYA in Russian 4 Jun 94 pp 1-2

[Article by Anatoliy Druzenko: "Leonid Kravchuk: Every Day I Repeat Like 'Our Father': War Between Ukraine and Russia Is Inconceivable"]

[Text] Kiev—In what is to put it mildly a disparate situation—the exacerbation of the Crimean problem, the hitch in dividing up the Black Sea Fleet, battles over the impending presidential election, and continuing economic slump—Russian mass media leaders came to meet with the Ukrainian president and talk with him "about the present moment." Ostankino will shortly be showing a recording of this conversation but, given the interest in what is happening in Ukraine today, I would like to tell you in brief, as a participant in the discussion, about the main ideas voiced by the Ukrainian president.

The Crimea Problem

When asked by one of my colleagues whether the problem of the Crimea should not be resolved, given its complexity, by creating the institution of joint Russian-Ukrainian possession of the Crimea, the president countered with another question: What might such an institution mean, and is it at all feasible? Kravchuk remarked after giving not entirely clear explanations that this idea (or proposal) should come from the Crimean leadership but, in the opinion of the Ukrainian president, it would be naive to expect that kind of movement on their part. Today we are rather talking about the opposite: The Crimean authorities are first trying to obtain recognition for their state and then to join Russia. The upshot is that the idea of joint possession could turn into a situation where Russia would have 95 percent of the Crimea and Ukraine would have the remaining 5 percent, to which the latter would naturally not agree. A normal "civilized" solution is only possible within the framework of the existing Ukrainian Constitution.

The Possibility of a Federal System in Ukraine

L. Kravchuk was cagey on this issue. He cited the example of the United States and commented that a considerable amount of time is needed to create a federal state, particularly if it is born of of a unitary state like Ukraine. It is primarily necessary to formalize the legal basis for this process and, even with a highly professional parliament, this would take several years. Kravchuk thinks that for the formation of a federal state on German lines the conditions must be ripe. The danger of haste here is too great; it could jeopardize the existing Ukrainian state.

The Origins of the Economic Crisis

The president disagreed with the conclusion drawn by one of the participants in the meeting that the Ukrainian economy is terminally sick. Although he did not deny that the slump in production and the decline in the standard of living are continuing. Certainly, Kravchuk remarked, plenty of mistakes have been made in the course of reforms, but nevertheless he sees the main reason for the crisis as being the fact that Russia was too quick in making Ukraine pay for power sources at world prices (incidentally, these resources represent over half of Ukrainian imports). A particularly dramatic situation developed late last year when prices of oil and gas rose 10,000-fold in a short time (the president repeated this figure three times and then added that no economy would withstand that kind of ordeal). Even had we implemented reforms in an ideal fashion, Kravchuk summed up this part of the conversation, the "energy factor," that is an outside factor, would have nonetheless brought about a critical situation.

Back to the Crimean Problem

"The leadership of Ukraine and myself as president will never agree to the use of strong-arm methods to resolve the question of the Crimea," Leonid Kravchuk said firmly, in the spirit of, one might say, an official statement. "That would be a great calamity both for Russia and Ukraine, but calamity would above all befall our Ukrainian home."

We expect the same attitude to the problem, our interlocutor remarked, from the Russian leadership and particularly from Crimea, although there is no confidence about this. The president said that he takes an extremely negative view of the appearance in the Crimea of Cossacks from Russia, which he sees as an attempt to lend the conflict the nature of the "Dniester scenario" and with which the Ukrainian side resolutely disagrees.

Three Main Desires

When asked which objectives he would be satisfied to see attained as a politician and state leader, Leonid Kravchuk said that he would consider his mission accomplished if progress occurs in the following areas. First, in stopping the slump in production and achieving albeit slight growth. Second, in consolidating and rendering irreversible friendly partnership relations between Ukraine and Russia. Every day, the president remarked, I repeat like "Our Father": War between our countries is inconceivable and, no matter what extremists on both sides do, we must not permit a tragedy; our peoples, our children, and grandchildren will not forgive us, nor will history. And finally the president's last wish is to reinforce in the national consciousness the sense of dignity and escape, as he said, from the "remnants of slave mentality" inculcated over the centuries by the empire—first the Russian and then the Soviet empire.

The Coming Presidential Elections

Our discussion took place a few hours before the Ukrainian parliament decided that presidential elections will nonetheless go ahead 26 June. There is every indication that Kravchuk was prepared for that decision although the day before he asked the Supreme Rada to postpone the elections until later. Our interlocutor is prepared to take part in the presidential election race.

He was diplomatic about the chances of the contenders, including his own. Nevertheless, he did conjecture that there will be no victor in the first round and that a second round will have to be held. A poll of voters conducted recently in a number of oblasts showed that 27 and 20 percent are willing to vote for Kravchuk and Kuchma respectively, while the other candidates are lagging considerably behind. However, Kravchuk warned that these figures should not be overestimated: The situation can change in a day. Although, the president summed up, there is every indication that he and Kuchma will have a showdown during the second round.

Our interlocutor refrained from predicting the final presidential election result.

Kravchuk Sees Kuchma as Main Rival in Elections

LD0306163494 Moscow INTERFAX in English 1412 GMT 3 Jun 94

[From the "Presidential Bulletin" feature No. 106 (596) by Nikolay Zherebtsov, Andrey Petrovski, and edited by Vladimir Shishlin]

[Text] President Leonid Kravchuk named the former prime minister, Leonid Kuchma, as his main rival at the forthcoming presidential elections at a meeting with the editors of a number of Russian newspapers Thursday evening. He said the winner of the presidential race would become clear only in the second round which, in his words, would become a "duel" between himself and Kuchma.

The head of state based his argument on the results of an opinion poll, which had indicated that 27 percent of the electorate would vote for Kravchuk and 20 percent for Kuchma.

However, the Leonid Kuchma thinks his main rival will be the last Supreme Soviet speaker, Ivan Plyushch. "Plyushch," he said, "really concentrated power in Ukraine into his own hands." Observers back that argument up by the fact that Plyushch has the support of most local authorities in the Republic. He was behind a law, which will give the heads of local authorities all power in their regions after the 26 June elections, and that will help him considerably in his pre-election campaign in a number of regions and at local polling stations, they say.

The speaker of the current Supreme Soviet, Aleksandr Moroz, is thought to have less chances of success. However, his recent exploits have done much in the objective sense to earn him more popularity among the eastern "Russian-speaking" regions of Ukraine. Moroz has a balanced approach to the Crimean issue, and his firm opposition to President Kravchuk's plea for the presidential and local elections to be postponed to a later date is also in his favor.

The Supreme Soviet on Thursday evening rejected Kravchuk's proposal to defer the elections.

IF Note: A parliament resolution stated that it [the parliament] considered it undesirable to postpone the elections to a later date give that preparations for those elections were almost complete, with "election constituencies and commissions set up and candidates for the presidency and local government registered."

However, the parliament approved Kravchuk's proposal to create a legal base for the future president to exercise his powers. Supreme Soviet commissions have been recommended to submit their proposals for draft laws governing then powers of the Ukrainian president, cabinet of ministers and local authorities and governments by 12 June.

The government has been requested to submit a draft law on the cabinet of ministers to the Supreme Soviet, also by 12 June. The law would define the rights of the cabinet of ministers and regulate its relations with local authorities.

Parliament May Discuss Masol's Candidacy for Premier 14 Jun

LD0306212494 Kiev UNIAN in Ukrainian 2000 GMT 3 Jun 94

[Text] Kiev—Oleksandr Tkachenko, deputy chairman of Ukraine's Supreme Council, in the chair at the session on 3 June, announced a closed sitting, not naming the issues that would be examined.

A UNIAN correspondent learned from unofficial sources that material and domestic provisions for people's deputies were discussed. It was stated that the state's Supreme Council and leadership had been revealed as unprepared for the elections taking place and for parliament being competent, because there were not even enough places for deputies in hotels. Members of the provisional commission for the provision of deputies' accommodation noted that the granting of apartments to all deputies is also still a problem.

After this some of the deputies expressed themselves in favor of the advisability of the existence of a semi-professional parliament: half works permanently and half comes for the sessions. This proposal caused the most arguments because such a proposal would, in the first place, suit representatives from government and commercial structures, who up to now have not resigned from their previous place of work. People's deputy Ivan Zayets maintained in his speech that he knows of one building for deputies, which will be rented out in the district, where he stood for election. Should the electors disagree with parliament decisions, one may expect picketing of this building.

It was learned from the same sources that the closed sitting was also about payment for the labor of people's deputies. According to a deputy who did not wish to be named, the talk is about a payment, which would only be sufficient for food.

At the sitting, Oleksandr Tkachenko reported that the candidacy of Vitaliy Masol for the post of Ukraine's prime minister would be submitted for examination by Ukraine's Supreme Council on 14 June. The deputies are to determine their positions regarding this in groups and commissions by the said date.

Masol is a former chairman of the Council of Ministers of the Ukraine Soviet Socialist Republic, who resigned at the demand of the hunger-striking students in October 1990. He is an economist, who graduated from the Kiev polytechnic institute and the institute of management of the national economy, and managed a heavy machine-building enterprise. He was a people's deputy of the Supreme Council of the Ukrain Soviet Socialist Republic of the 9th-11th convocations, and also head of Ukraine's state planning, a member of the Central Committee of the Communist Party of the Soviet Union, and a deputy of the Supreme Council of the USSR of the 10th-11th convocations. He will be 66 years old in November 1994.

Kuchma Sets Out Election Platform

LD0306153594 Kiev UNIAN in Ukrainian 1220 GMT 3 Jun 94

[Text] Odessa—Ukrainian presidential candidate Leonid Kuchma outlined his platform again at a meeting with the cadets of a local militia school on 2 June. "Last year I signed a joint statement with [Russian prime minister] Chernomyrdin and [Belarusian prime minister] Kebich on the creation of an economic union to lift customs barriers," he said. But the Ukrainian media accused me of pro-Russian sentiments, and the eastern and southern regions for some reason did not support me, although they should have...."

Leonid Kuchma clarified his position on the Crimean issue: "The Crimeans must be given greater freedom within Ukraine."

The candidate believes that everyone must take the blame for the Belavezha "crime" [reference to the formation of the CIS], and that the Black Sea Fleet should be sold to Russia because it "has strategic interests in the Black Sea" which it will not renounce, while "Ukraine is incapable of maintaining the fleet."

After the meeting, Oleksandr Mayorov, general secretary of the Central Committee of the Renewed Communist Party of Ukraine told UNIAN: "We communists will vote for Leonid Kuchma."

Kravchuk Issues Directive on Funding Food Resources

LD0306154694 Kiev UNIAN in Ukrainian 1220 GMT 3 Jun 94

[Text] Kiev: On 2 June, Ukrainian President Leonid Kravchuk signed a directive "On providing the formation of Ukraine's food resources with finances and credits."

In Ukrainian Agriculture and Food Minister Yuriy Karasyk's words, a large group of professionals, who include National Bank of Ukraine board chairman Viktor Yushchenko, has been engaged to draft this directive.

The directive deals with a new source of credits, which is 10 percent of the credit resources that are available to commercial banks and that are to be sold by them to the National Bank of Ukraine to provide payments in advance and credits for the agrarian sector. The economic mechanisms contained in this provision should be of interest to commercial banks as the directive rules that the taxes payable by the banks on credits in the event of their sale to the National Bank of Ukraine are to be cut from 55 to 11 percent.

The directive also makes provision for the return of stabilization funds rather than adopting a money-printing approach to the allocation of funds providing credits for agriculture.

The directive also contains the following mechanism for payments to be made by the trading organizations to the agricultural producers: Upon the expiry of three days following a sale, a penalty to the amount of three percent of the sum outstanding is charged daily. There is a term of 15 days for credits to be issued to trading organizations for them to pay in advance for agricultural produce. The directive instructs the Cabinet of Ministers to devise a pricing mechanism by 1 July.

In Yuriy Karasyk's view, "this provision in the directive is very important as agriculture is owed 12 trillion karbovantsi by the army, prison services, and trading organizations, with the debt of the latter to the countryside amounting to 4 trillion karbovantsi. This clause in the directive also enables city and town state administrations, goods manufacturers and trading organizations to work without waiting for the government."

However, in Yuriy Karasyk's view, "this is a once only directive. In the transitional period, no legislative basis has been created yet so the president has said the word for the Supreme Council not to be 'firemen'."

In the minister's opinion, there will be no confrontation between the Supreme Council and the president because the directive takes account of proposals by Ukrainian people's deputies.

Pro-Communists Want Belovezh Authors Removed From Politics

LD0306193794 Moscow INTERFAX in English 1810 GMT 3 Jun 94

[Text] Pro-communist forces are seeking to remove from the political scene the three men who were the authors of the 1991 Belovezh agreements of 1991 on establishment of the CIS, Ukrainian President Leonid Kravchuk said today. He added that following this the pro-communist forces would annul the Belovezh agreements and restore the USSR.

Commenting on the political situation in Ukraine, Kravchuk stated that the decision that the presidential and local elections take place this June could completely destroy executive power in the country.

Kravchuk said he could have decided not to run for presidency. However, he suggested that those who will take part in the presidential race could in two days eliminate everything which had been created, if one of the present candidates is elected president.

Rukh Decides To Form Shadow Cabinet

LD0506145394 Moscow INTERFAX in English 1220 GMT 5 Jun 94

[Text] The extended council of the opposition Ukrainian people's movement, or the Rukh, decided at the session on Sunday to form a shadow Cabinet.

A shadow government will work out alternative programs for the country's development and carry out constructive opposition activities towards the present Cabinet, said the movement's leader, Vyacheslav Chornovyl in an interview to Interfax-Ukraine.

The Rukh council also decided to "denounce even more the Communist ideology and carry out a resolute struggle with the ruling party which tries to stop the economic reforms".

The movement's leadership recommended that primary organizations focus efforts on local elections which will take place on June 26 alongside the presidential ones. Chornovyl believes the Rukh may win the mayors' elections in over 20 large cities and try to win the elections in another 700 constituencies.

The council confirmed the intention to vote at the presidential elections against former prime minister Leonid Kuchma and the current parliament speaker Aleksandr Moroz because it believes they pose danger for sovereignty and independence of Ukraine.

New Taxation System To Be Introduced 1 Jan

LD0406190494 Kiev UT-1 Television Network in Ukrainian 1800 GMT 4 Jun 94

[No video available]

[Text] A new taxation system will begin to operate in Ukraine from 1 January 1995. It envisages a change from taxing enterprises' income to taxing their profits. Vitaliy Ilyin, the head of our state's state tax inspectorate, stated this in an interview for the press. He emphasized that the introduction of new legislative acts was planned for this year, 1994. But it was impossible to implement this in conditions of an economic crisis and inflation.

Belarus

Kebich Outlines Post-Election Economic Policies

LD0306161594 Moscow INTERFAX in English 1412 GMT 3 Jun 94

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zherebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[Text] Vyacheslav Kebich, one of the six contestants to the presidency at elections on 23 June, has outlined at a meeting with workers of the Minsk margarine factory five basic principles he intends to follow if he wins:

— A mutually advantageous union with Russia, and prospectively - an alliance of the three Slav states;

—The building of an independent Belarusian state through economic expansion and the restoration of broken ties;

—Market relations through economic reform with producers rather than brokers at the center;

—Merciless fight against crime and corruption;

—The spread of Christian morality and such Belarusian moral values as diligence, kindness, mutual respect, and restraint.

As Kebich emphasized, "a reliable, firm, and equal union with Russia is the goal of the policy I pursue." In his words, "the first nine points of a treaty "on the unification of the monetary systems of Belarus and Russia" have already taken effect. [quotation marks as received] "The abolition of custom duties alone has dropped the prices of Belarussian TV sets and fridges by 15-20 percent. This means that these goods will be increasingly pervading the Russian and other markets, and profits and state revenues will go up," he said.

Custom-free bilateral trade has brought the tariffs on fuel from Russia down as of 1 June. As Kebich disclosed at a meeting with Minsk tube builders recently, "one tonne of oil purchased in Russia will cost much less than the $85 the Republic pays for it today." In his words, "the price of Russian fuel will be formed thus: The world price minus a 40 percent custom duty." [IF Note: The Russian-Belarusian Monetary Integration Agreement provided for such a trade status as of 1 May. However, it has actually been in effect only since 1 June.

According to a poll by Eridan, a republican center for political studies, Kebich's popularity as a candidate to the presidential office has doubled in the last six weeks. He tops the list of officially registered contestants with 372,000 signatures in his support. (Down at the bottom is ex-speaker Stanislav Shushkevich with 123,000 signatures, and the leader of the Agrarian Party Aleksndr Dubko with 117,000 signatures—IF).

The popularity of other candidates, among them the former leader of the Interim Parliamentary Anticorruption Commission Aleksandr Lukashenko, the Communist Party's Secretary Vasiliy Novikov, and Dubko has risen since April from two to four percent while Shushkevich's rating has shrunk from nearly 10 down to seven percent and that of the Popular Front's leader Zenon Poznyak has dwindled from 5 to 4 percent.

Nearly 60 percent of respondents favour monetary integration with Russia, and more than 77 percent would welcome a fiscal union with Russia.

Kebich Addresses Law Enforcement Agencies

WS0606090094 Minsk Radio Minsk Network in Belarusian 1715 GMT 3 Jun 94

[Text] Today, the first session of the Belarusian Cabinet of Ministers' Coordinating Council of Law Enforcement Agencies—on combating corruption and crime—was held. National law enforcement agencies heads, chairmen of oblasts and a range of city and rayon executive committees participated in this meeting. Prime Minister Vyachaslaw Kebich, chairman of the Coordinating Council, said that combating crime is a key issue. This is a very important social issue, which in equal measure concerns both government and residents of the Republic. In the prime minister's opinion, in order to ensure personal freedom and self-confidence, not only new approaches by law enforcement agencies should be introduced but a range of everyday pressing problems of the citizenry should be resolved as well.

Head of Border Guards Says Problems Increasing

LD0506212794

[Editorial Report] Minsk Radio Minsk Network in Belarusian at 1000 GMT on 5 June on the armed forces radio program carries an interview with Lieutenant General Yawgen Bacharow, head of the border guards. The resolution on the border guards was passed in September 1991, almost three years ago. Bacharow, speaking in Russian says:

"The number of border guards has more than doubled since then. New formations and units have been created to carry out tasks in a new direction. The border guards acquired their own air force, which considerably raised the mobility and improved the manoeuvring potential of formations and units. The guards also changed in quality. Formations started appearing that were almost totally based on professional staffing. In this short period of time a material and social basis was created, which made it possible not in words, but in deeds, to tackle independently all of the tasks facing us."

Bacharow continued: "The guards are sufficiently equipped with up-to-date weapons and hardware. We have good relations with the border guards of neighboring states: Russia, Ukraine Lithuania, Latvia, and Poland. We are establishing relations with border guards in Germany and France. This is natural, for it is possible to solve the whole complex of border guard tasks properly today only with full mutual understanding and concise interaction of all services within this or that state and deep integration of analogous processes in all Europe."

Bacharow says: "A few words about the operational situation. Today it is more complex than ever. Such negative phenomena as the drugs, illegal immigration, and weapons trading have moved to the number one spot. Although the border guards do not have a direct link with any of them, during everyday life and activity they constantly come up against them. The following figures show that the situation is become more complicated. During six months in 1993, 396 violaters of the state border were detained. Five months into 1994 the number is already 948, including over 200 detained according to information from the departmental service of active measures or by the service itself. Since its creation, this service—which is understaffed by 50 percent—is operating at the level of a good combat border detachment, although it has about 20 times less personnel. It has been proved possible to violate our republic's frontier with impunity. We make no secret of this. During six months in 1993 there were five cases. In 1994 there was only one case. Seventeen criminal cases resulted from violations of the state frontier. In 1993 there were only two criminal cases. Of these 17 cases, seven were organizers from the new legislation passed by the Supreme Soviet. In 1993 contraband worth 0.8 billion rubles was confiscated; in 1994 the amount was 11.5 billion. In 1993 170 weapons were confiscated, and in 1994 the figure was 286. In 1993 123 tonnes of nonferrous metals and in 1994 248 tonnes were confiscated. Narcotics: In 1993, 17.3 kg were confiscated, and in 1994 over 80 kg were confiscated. Border guards received hard currency amounting to over $780,000 from fees for detention and for visas. If all of this is converted into Belarusian rubles, in five months the border guards themselves paid 50 percent of their annual budget. We hope that by the end of this year, as in 1993, we will pay the entire 100 percent of our annual budget ourselves." [sentence as heard]

Having stressed the difficulties of the job, Bacharow went on to say: "The fight against illegal immigration is the top priority because it is the source of all evils today. We do have the necessary legislative basis, but it has to be perfected. As commander and as a member of parliament, I am particularly concerned by the fact that the drugs business is moving to a qualitatively new basis. I am consciously making this statement; yes indeed, to a qualitatively new basis. Until now the republic was only a transshipment base, but there are now incidents that confirm that the republic is becoming a market for drug sales. This is a very dangerous point, a very dangerous sign. We were forced to fight the drugs business before now, but even today it is not too late. In the very near future a joint group must be created, a joint department, perhaps a joint administration of the KGB, MVD, border guards, and customs to deal with this issue directly. So far, our efforts are at the level of the stone age."

Communists, Government Critical of Soros

PM0306155094 Moscow IZVESTIYA in Russian 2 Jun 94 p 5

[Report by Aleksandr Starikevich: "Belorussian [Belarusian] Government Does Not Wish To Cooperate With George Soros"]

[Text] Minsk—The Belorussian communists and government have finally become united on a platform of hostility toward the West. This was again confirmed by the events which occurred prior to, during, and after the visit to Minsk of George Soros, founder of a network of charitable funds.

George Soros has invested about $2 million in Belorussia [Belarus] in the past one and a half years. This money has gone into the support and development of science, education, and other sectors. All programs pursue one goal: the creation of an open society.

Soros' funds are working on a similar basis in Russia and other countries which were once members of the socialist camp. The governments of practically all states are showing interest in cooperation with this organization—except the Belorussian Government.

The Belorussian Government head has instructed the administration for coordinating the activities of the Council of Ministers administrative organs to investigate what the "Soros Belarus Fund" is doing. An interesting document has found its way into IZVESTIYA's possession which provides evidence about the Belorussian authorities' attitude to this organization. This memorandum was signed by Government Secretary Gennadiy Danilov, whose successes in exposing enemy spies on the Republic's territory are well known to Belorussian citizens. Here are some quotations from the document.

"...The fund is gearing its activities toward changing people's outlooks, inculcating the American way of life, and attracting cheap intellectual resources from our republic to the fundamental, natural, and social sciences in the United States."

The grounds for such a serious indictment are outlined below. It emerges that the Belorussian Ministry of Education proposed to American specialists that studies be organized in the United States for kindergarten workers, teachers, and school students. Gennadiy Danilov comes to the following conclusion: "In this way, the fund set about reorganizing the entire education system and training cadres for the future creation of an open society."

The government secretary goes on to expose the fund's intrigues in the field of publishing: "The programs' leaders give preference to foreign authors when publishing scientific literature. The publication of literature proceeds unchecked, without the Belorussian side providing analysis and expert opinion...." Moreover, "the program to develop the mass media has not escaped the fund's attention. Its aim is to abolish the state monopoly in the organs of the press and television...."

As you see, we are still in an age in Belorussia in which the state wants to have complete control over publishing activities and the mass media. It is no secret that this kind of control is one of the most important conditions for the revival of totalitarianism. Therefore, the "Soros Belarus Fund," which is operating strictly within existing laws, is provoking a negative emotional reaction from the present republic leadership.

It also follows from the memorandum's text that from as far back as 1992, the relevant bodies have been paying careful attention to Elizabeth Smedley, executive director of the "Soros Belarus Fund," knowing exactly whom she has met with and when, and where these meetings have taken place. The summary says: "Based on the above, it is becoming obvious that having the opportunity to act without interference, the fund has been striving to orient the republic's development toward Western traditions and values, make changes to the state-political system, and prepare the ground for implementing the idea of creating a social system based on an open society...."

But consider another interesting fact: The communist newspaper MY I VREMYA [TIME AND US] published in its 30 May issue an item saying that thanks to the Soros Fund's efforts "the working people have begun to die out" in Belorussia. The article's author did not even take the trouble to paraphrase the document cited above: Whole chunks of the article are identical to paragraphs in the memorandum without, it has to be said, reference being made to the original source (even the typographical errors and inaccuracies in the government document are repeated). This is a clear demonstration that what the government has on its mind is what the communists are talking about, which is evidence of the degree of independence of the latter from the power structures.

The fact that the communists are accusing Soros of every mortal sin is not surprising. But the prime minister also revealed his true motives for not wishing to meet with the American philanthropist after his departure. Kebich stated that he does not wish to meet with the person who has destroyed the Belorussian economy.

As the most effective programs are those which are carried out with the government's cooperation (in this case you cannot count on this), George Soros will reduce the volume of his aid to Belorussia. He also does not intend to invest money here in his capacity as a businessman, as he cannot see any signs of economic reform.

By isolating itself from everybody else, the Belorussian nomenklatura is hoping to recreate for itself the little world in which it once lived very well.

Moldova

Reportage on Turkish President's Visit

Arrives, Met by Snegur

AU0306144494 Chisinau BASAPRESS in English 2100 GMT 1 Jun 94

[Text] Chisinau BASAPRESS, 1/6/1994—An official delegation of the Republic of Turkey arrived this morning on a special plane from Kiev. The delegation is headed by the Turkish President Suleyman Demirel. It consists of more than 140 Turkish ministers, Parliament members, businessmen and journalists. The delegation was welcomed at the airport by President Mircea Snegur, leaders of the Government and Parliament and other officials. After a military ceremony Demirel and Snegur made some short declarations for the press. The Turkish President mentioned the importance of the relations between Turkey and Moldova, both in the international and regional transformations occurring in the Black Sea basin. Referring to the Gagauz population of Turkish origin Demirel expressed his hope that the proportion of Gagauz people in the general development of Moldova will considerably increase. President Snegur declared that taking into consideration the cultural affinity between Turks and Gagauzians, both presidents will visit southern Moldova where they will get acquainted with the life style and preoccupations of the Gagauzians." Snegur added that the parties will sign some agreements of collaboration in the fields of culture, transportation, agriculture, crime control, etc. The main document to be signed is the Treaty on Friendship and Collaboration between Moldova and Turkey.

Snegur, Demirel Discuss Ties, Gagauz

AU0306144994 Chisinau BASAPRESS in English 2100 GMT 1 Jun 94

[Text] Chisinau BASAPRESS, 1/6/1994—President Mircea Snegur met today with the Turkish President Suleyman Demirel, who is engaged in an official visit to Moldova, says a communique of the presidential press service. At the meeting they discussed the changes in the political life of the region and stressed the necessity of nurturing democratic processes in the newly independent states as a factor facilitating the consolidation of their independence. Mircea Snegur asserted that after the multi-party elevations, which designated a parliamentary majority, and the opinion poll "La Sfat Cu Poporul" ["Consulting the People"], at which the population voted for independence, the stability is growing more evident. It was also mentioned that it is possible that a special juridical status for the Gagauz regions will be adopted before the parliamentary vacation. it is much more difficult to eliminate the consequences of the Dniester conflict, but in this case only political steps will be undertaken as well said Mircea Snegur. President Demirel said that he hopes that the Treaty of Friendship and Collaboration which will be signed during the visit will lead to the achievement of the goals toward which both sides aspire. In this context it is vitally important to comply with the Declaration of Economic Cooperation of the Black Sea basin states, which is committed to an expansion and diversification of economic relations among the countries of this region. Demirel also affirmed that the Gagauz population "will have a good reputation" if it respects the laws and the territorial integrity of Moldova. "We are willing to offer the Gagauzians cultural and economic assistance in order to raise their standards of life as devoted citizens of the Republic of Moldova," concluded Demirel.

Opposition Criticizes Concessions on Gagauz

AU0306180594 Chisinau BASAPRESS in English 2100 GMT 1 Jun 94

[Text] Chisinau BASAPRESS, 1/6/1994—Turkey's interests in Moldova and in particular in the conflict between a part of the Gagauz population and Moldovan leadership is natural, Vasile Nedelciuc, member of the Parliamentary Commission for Foreign Relations and member of the Peasants and Intellectuals Bloc, stated to BASA. According to him "there are few states so seriously and constantly interested in the situation in Moldova and therefore Turkey's economic interest and its military-strategic interest should not be neglected." He said that "President Demirel's arrival in Chisinau is an important step toward finding foreign partners that could support Moldova during its crisis." On the other hand Nedelciuc noted that "Demirel's arrival has implications that should worry those who carefully observe negotiations between Chisinau officials and Comrat separatists' representatives." He stated that he "was bewildered that the Chisinau officials went so far in the negotiations with the Gagauz representatives," when he studied the project on special status for Gagauzians. He mentioned that the project "contains provisions sometimes granted to independent states, but by accepting it parliamentary leaders will make not only a political but a historical mistake." According to Nedelciuc "if the talks between Demirel, Snegur and the Gagauzian side support this variant, the Parliament will not be able to impose another point of view, even though it will want to adopt a new law because Demirel's arrival will only complicate the situation."

Snegur, Demirel Visit Gagauz Region

AU0306180494 Chisinau BASAPRESS in English 2149 GMT 2 Jun 94

[Text] Chisinau BASAPRESS, 2/6/1994—"You, Gagauzians, are part of a greater nation we are two branches of the same tree," stated today Turkish President Suleyman Demirel, addressing about 500 people from the districts densely inhabited by Gagauzians who gathered in "Druzhba" cinema in Comrat to take part in the meeting with the Moldovan and Turkish presidents. "I am grateful that you have maintained yourselves as a nation, and thanks to Moldovan leadership we have met as a mother with her son," said Demirel. He sent the regards of the Turkish people and mentioned that Turkey will continue to cooperate with Moldova to assist all ethnic groups. "I hope that the Gagauz people will really appreciate this historical act and our common efforts." Demirel appealed to the people: "Gagauz brothers, do not confine yourselves in your own shell. By supporting Moldova's territorial integrity, for which you voted on 6 March, you acquired the support of Turkey and many countries. The Moldovan leadership offers you possibilities for development. Do not forget this and do not forget the international right that must be above all other rights. Be correct and analyze the essence of things, because dialogue and only dialogue will help you." In Demirel's opinion Gagauzians must be a bridge of friendship between Turkey and Moldova. Stepan Topal president of the self-proclaimed Gagauz Republic expressed gratitude to Presidents Snegur and Demirel for the possibility offered to Gagauzians to develop their culture traditions and for contributing to the Gagauzians national rebirth. "I am grateful to the current Moldovan leadership for its willingness to grant the 'Gagauz-Eri-Gagauzia' special juridical status to Gagauzians. The fact that a representative of the Council of Europe called Moldova 'a country of wisdom' proves this," said Topal. He stated that this project will be presented to the Moldovan Parliament to be confirmed. This way of settling ethnic problems could serve an example for other regions. Snegur pointed out that Chisinau officials are aware that Gagauzians have much in common with the Turkish people who support them spiritually and financially in their national rebirth. This has become possible only after Moldova declared its sovereignty said Snegur. "Gagauzian is studied now in Southern Moldova in 48 schools and Comrat university and college, it can be heard on the Moldovan Television and Radio and local television and radio stations. The current Moldovan leadership supports Gagauzians' aspirations to develop their culture and traditions. The 'Gagauz-Eri-Gagauzia' project was recently finalized. It will open new prospects in this regard. Moldovan republican organs grant the districts densely inhabited by Gagauzians much empowerment." The friendship and cooperation agreement to be signed tomorrow by Moldovan and Turkish presidents, will consolidate the relations between the two countries, the development of democracy and support the rebirth of national minorities, mentioned Snegur. He mentioned that Turkey will grant Moldova credit worth $35 million to be invested in the development of the Southern Moldovan districts.

Dionisie Tanasoglo, rector of Comrat University handed President Suleyman Demirel diploma of honorary doctorate. The Turkish President said that Comrat University will be the 59th university alongside 57 in Turkey and one in Middle Asia, where Turkish is studied. The visit in Comrat continued with the laying of the first stones of the foundation of the Moldovan-Turkish tile and brick factory. The president also attended an exhibition of Gagauz craftsmanship and a concert, in the afternoon the members of the delegation held a series of meetings in the villages of the Ciadar-Lunga district.

Demirel Addresses Chisinau Parliament

AU0306180294 Chisinau BASAPRESS in English 2100 GMT 2 Jun 94

[Text] Chisinau BASAPRESS, 2/6/1994—"I am absolutely sure that we will rapidly develop cooperation and friendship between Moldova and Turkey by adding to current possibilities our wish to cooperate in advantageous areas in the near future. We believe that the opportunity to use successfully the region's potential both with countries within the Black Sea basin and through other bilateral relations," said the Turkish President Suleyman Demirel in his yesterday' speech in the Moldovan Parliament. He emphasized that Turkey is in favor of "an independent and free Moldova within the international community" and that "it will make efforts to assure partnership relations founded on mutual respect, that will contribute to the development of the Moldovan national economy with the help of Turkish businessmen who have the necessary expertise and means. In order to consolidate Moldova's independence, Turkey guarantees its support and makes public its friendly intentions." President Demirel pointed out that in the current situation "it is very useful to establish tight relations between the Turkish Great Assembly and Moldovan Parliament. The Turkish legislators are accompanying me to achieve these objectives." Demirel also said: "Representatives of a branch of Turkish peoples, whose ancestors were among the first dwellers in this region, live in Moldova. I want to stress that we are sure that the Gagauz people will be a strong link of friendship between Moldova and Turkey. The Gagauz people are a reason for Turks' attachment to Moldova make them sympathized with it and want tighter relations with your country for which Turkey has the most sincere feelings. Turkey's interests in the Gagauzians should be understood as an expression of the importance Turkey gives to Moldova's territorial integrity, peace, economic, social and cultural development. Gagauzians, in their motherland are citizens who respect Moldova's territorial integrity and who are aware of their citizenship. We support from the bottom of our hearts the prospects for granting a special juridical status that will assure the preservation of Gagauzians' national identity." Previously during a meeting with parliamentary leadership and leaders of the four parliamentary factions Demirel said that "the Parliament should be the place where controversies occur and where finally adequate solutions to any problems can be found. A democracy cannot be built without opposition, but if it negates the state's existence, than this country should condemn it or even sanction it."

Socialist Leader Welcomes Demirel

AU0306180794 Chisinau BASAPRESS in English 2149 GMT 2 Jun 94

[Text] Chisinau BASAPRESS, 2/6/1994—We consider that the visit of Turkish President Suleyman Demirel will not discourage the normalization of the situation in the Southern regions, Valeriu Senic, leader of the parliamentary bloc of socialists, declared to BASA. Senic mentioned that the Turkish president has manifested his best intentions, underlining his support for the integrity and sovereignty of Moldova. In Senic's opinion, all the assertions Demirel has made will be treated only as an impulse toward mutual understanding. At the same time Senic mentioned that the deputies had already received the project of special juridical status for the Southern regions and the Socialist Unity faction supports it. We do not consider that the visit of the Turkish delegation will in any way influence the adoption of this status for President Demirel arrived after the status had already been defined stated Senic.

Snegur, Demirel Sign Friendship Treaty

LD0306154594 Moscow INTERFAX in English 1320 GMT 3 Jun 94

[Text] On Friday [3 June], in Kishinev [Chisinau], the Moldovan and Turkish presidents Mircea Snegur and Suleyman Demirel signed a treaty on friendship and cooperation between the two states. The presidents have also signed eight agreements on technical and scientific cooperation, on international automobile and air traffic, and so on.

One more document was added as a result of the negotiations. In accordance with this document Turkey will grant a $35-million credit to Moldova, which will be used to develop Moldova's southern regions densely populated with the Gagauzs, the Turkic-speaking population.

Snegur characterised Moldovan-Turkish relations as excellent. "Our cooperation is developing dynamically in many spheres," he declared to Interfax.

For his part, Demirel expressed satisfaction that "those contradictions which there were between the Gagauz population and the republic's central authorities are being solved by granting special juridical status to the areas densely populated by the Gagauzs." He also reported that a conference of the heads of the Black Sea region states is to be held in the near term in Istanbul. Moldova has been invited to attend it.

The same day a festive ceremony devoted to the opening of the Embassy of the Turkish republic in Moldova was staged in Kishinev.

Suleyman Demirel is to depart home in the evening.

Demirel Cited on Results of Visit

LD0406130694 Moscow Ostankino Television First Channel Network in Russian 1100 GMT 4 Jun 94

[Text] [Correspondent] In the opinion of members of the delegation and experts, the three day visit by [Turkish] President Demirel to Moldova has been extremely fruitful. Accords were reached on cooperation in a number of economic and cultural spheres and the

Turkish friends visited regions with concentrations of Gagauz. Moreover, the Turkish side pledged to give Moldova a credit of $35 million to be used to develop southern regions. The main result of the visit was the Treaty on Friendship and Cooperation between the two countries, which was signed today.

[Begin Demirel recording in Turkish fading into Moldovan report] Our two states, Mr. Demirel said, have confirmed their intention to continue cooperating in the spirit of the Accord on Black Sea Economic Cooperation. [end recording]

[Begin Moldovan President Snegur recording] I would like to stress the great importance of the documents that have been signed: They include a treaty on friendship and cooperation between our two countries and, documents which are called upon to give a renewed stimulus to our bilateral and mutually advantageous relations. [end recording]

Interstate Commission Discusses Border Issues With Ukraine

AU0306183594 Kiev HOLOS UKRAYINY in Ukrainian 1 Jun 94 p 8

[Report by Svitlana Chala from Chisinau: "There Is the Law on Borders. There Is No Border Itself"]

[Text] The Moldovan Parliament approved the Law on State Borders, the absence of which had given rise to complaints on the part of border guards for almost two years. Lately, the Moldovan-Romanian border has increasingly become a corridor through which narcotics and weapons are smuggled into Western Europe and which residents of Southeast Asia and various criminals have been trying to cross in search of a better life.

Due to the absence of legal norms the border has, in fact, remained "transparent," and trespassers were, in the worst case, deported from the [Moldovan] Republic—to Ukraine or to Russia. Soon, they were again detained at the same place, and the circular movement continued.

Moldova borders upon two states—Romania and Ukraine. However, whereas the Moldovan-Romanian border is clearly defined, because it used to be the state border in the former USSR, in the case of Ukraine it remained, until recently, just an administrative border. Although the law approved by the parliament attached an official status to it, no clear-cut demarcation line has been drawn. An intergovernmental Moldovan-Ukrainian commission is presently defining it. However, according to parliamentary speaker P. Luchinschi, this issue requires time.

Deputies of the Popular Front faction drew the parliament's attention to the problem of the "Danube Triangle"—800 borderline meters along the Danube near the town of Reni. Moldova counts upon this triangle, planning to build a port there and ensure exit to the Black Sea for itself. According to the Moldovan minister of security, this question is being discussed at a corresponding interstate level.

New Round of Talks on 14th Army Withdrawal 7-8 Jun

AU0306144594 Chisinau BASAPRESS in English 2100 GMT 1 Jun 94

[Text] Chisinau BASAPRESS, 1/6/1994—The ninth round of the Moldovan-Russian negotiations concerning the status and terms of withdrawal of the 14th Russian Army from Moldovan territory will be held on 7 and 8 June in Moscow, stated to BASA Ion Nastac, head of the press secretariat of the Ministry of Defence. The official Moldovan delegation will be headed by Nicolae Osmochescu, vice-minister of foreign affairs, specified the cited source. Colonel Nicolae Tudureanu will lead the group of military experts. With the approval of both Moldovan and Russian delegations, representatives of Tiraspol will be allowed to attend the negotiations. The previous round of talks was held in March 1994 in Chisinau. The negotiators did not agree on the terms of withdrawal of the Russian armed forces from Moldova, for the Russian delegation wanted Moldova to grant Dniester a spectral juridical status in conjunction with its withdrawal. At this meeting the Moldovan delegation was headed by Anatol Taran, former ambassador of Moldova to Moscow.

National Economy Benefits From Adherence to World Bank

AU0306202794 Chisinau BASAPRESS in English 2100 GMT 31 May 94

[Text] Chisinau BASAPRESS, 31/5/1994—The Moldovan economy gained a lot by becoming full member of the World Bank in August 1992. These statements were made during the visit by the World Bank vice president Welfred Thaiwitz to Moldova. Moldovan officials pointed out that the World Bank is "a co-author of the economic transformations in Moldova." Welfred Thaiwitz was certain of the irreversible character of the reforms and the effectiveness of Moldovan authorities' efforts to improve the economy. He pointed out that "the World Bank will further grant financial support for supporting reforms in Moldova." World Bank experts assert that there have been some achievements—the most important being the stability of the national currency in relation with the U.S. dollar and the reduction in inflation. Official statistics indicate a surprising decrease in inflation to 5 percent in April compared to 45 percent in January. The last auctions of the Interbank Currency Exchange indicate the stability of the leu. Winson Temple, UN permanent representative to Moldova, hastened to declare that the pace of reform in Moldova exceeds the pace in Russia and even the Baltic republics. Obviously, Temple stated that the economic situation in Moldova very difficult, mentioning that the national income decreased by 50 percent in the last three years. It is obvious that given such difficulties, without foreign hard currency injection it would be impossible to reanimate an economy undergoing recession. Moldova has been granted credits amounting to $86 million by the World Bank and it stands to receive more. During his visit to Chisinau Thaiwitz did not specify a figure for the eventual loans. However, sources from banks say that another $150 million could be granted. "The World Bank can grant Moldova significant financial assistance its reforms are successfully promoted," stated Thaiwitz. He especially insisted on privatization of state property, thereby making a qualitative leap in the "structural reform" of the economy. It can be easily seen that the Chisinau officials to all possible in order not to lose credibility in the eyes of the international financial organizations. The statements made by the decision-makers in the area of economics regarding the acceleration of the privatization process, realization of structural reforms in industry, and the assurance that the international agreements and especially the Memorandum concluded with the IMF will be respected are significant. Regardless of government measures and substantial financial support, realities press hard on the Moldovan economy. Industrial output is falling. Financial blockage which has engendered general insolvency has the most pressing effects. Undertaking complete price liberalization while many salaries go unpaid under can provoke much dissatisfaction. Even the presidential decree on increasing the minimum salary to 18 lei seems not to diminish from the weight of the burden carried by the population, since the average salary covers only 30 percent of the minimum consumption budget. On the other hand, the recent price liberalization and salary raid could lead to a new wave of inflation that will aggravate the economic situation.

Tiraspol Public Organizations Union Rejects Market Economy

AU0306194394 Chisinau BASAPRESS in English 2149 GMT 2 Jun 94

[Text] Chisinau BASAPRESS, 2/6/1994—The Union of Public Organizations Parties and Movements organized a rally yesterday in Tiraspol. Professor V. Yakovlev, former deputy of the Moldovan Parliament known for his orthodox communist views, is the leader of the union. V. Yakovlev and representatives of other political organizations opposed the promotion of market economic reforms in Dniester and the introduction of private ownership of land and privatization in general. Appeals to restore the Soviet Union could be heard during the rally. Yakovlev declared that recently an initiative group had been created to bring about the creation of a union of unrecognized states. It is assumed that alongside Dniester, Abkhazia, Karabakh and another breakaway regions will be members of this union. The rally attracted about 1,000 people, most of whom were elderly. People carried red flags and sang the USSR's anthem. Local observers note that the rally was not obstructed by militia although the emergency state prolonged by Igor Smirnov [Dniester president] forbids such manifestations.

Tiraspol Officials Blame Chisinau for Blocking Talks

AU0406174594 Chisinau BASAPRESS in English 1925 GMT 3 Jun 94

[Text] Tiraspol BASAPRESS, 3/6/1994—The Dniester Republic's delegation will not disregard the referendum which expresses the independence of the Dniester Republic's people and its right to individual statehood, stated today to Tiraspol Radio Ana Volkova, former member of the Dniester delegation attending the negotiations on granting a special juridical status to the eastern districts. Nicolae Andronic, Moldovan deputy speaker of parliament, stated to Tiraspol Radio on 31 May that the Tiraspol leaders are to be blamed for jeopardizing the settlement of the Dniester conflict. Concerning these statements, Volkova mentioned that the Moldovan Parliament's statements contain "inaccuracies or even distortions of events." Volkova said that Andronic's statements are unfounded. She mentioned that it was the Tiraspol representatives who proposed a plan for a confederation in Moldova. Volkova said that if Chisinau had accepted that plan, the Dniester conflict would have been solved long ago. Volkova added that it was the Moldovan delegation who left the negotiations "arguing that the commission's members were on vacation or that the parliament was dissolved."

Dniester President on Results of Economic Reforms

LD0506171294 Tiraspol Dniester Radio in English 2030 GMT 4 Jun 94

[Text] Next in our program you'll hear a speech of the president of the Moldavian [Moldovan] Republic of Pridnestrovye [Dniester], Igor Smirnov, on the results of economic development of the Republic, which was broadcast over the national television channel of Pridnestrovye.

[Begin Smirnov recording in Moldovan fading to English translation] I put a political settlement of disturbances between Moldova and Pridnestrovye at the head of the list. Issues were widely covered in the press but nonetheless, continuing this topic, I must say, that for the time being a number of contracts and agreements have been concluded following the agreement signed by President Snegur and President Smirnov in the presence of the CSCE mission and the special envoy of the Russian president.

These agreements include not only economic matters but also those concerning the cooperation of law enforcement bodies, the mutual exploitation of air space, cooperation in the customs affairs and the public health protection. So we can see our cooperation is continuing.

There are various opinions about these problems both in Moldova and Pridnestrovye. For instance, in Moldova they say that Snegur has recognized Pridnestrovye, while Pridnestrovyan oppositions have said [words indistinct] enough in the question on the Pridnestrovyan confederation. I would like to make some explanation. What is important for a concrete [as heard] man are not only negotiations or any political (shape). The only things which matter is his living standard, which is the fundamental principle that forms the basis of our relations, and which is stipulated in the agreement, [words indistinct], the further progress in our economic relations. The main achievements so far in the establishment of the bank accounting center provide payment between Moldova and Pridnestrovye. Generally speaking, I must stress that we have a positive trade balance in our trade with Moldova because we sell them more goods than we get from them. That is, the normal process of cooperation is going on.

As for our relations with Russia, I must say that they are the best and [words indistinct]. No matter what our enemies say, but we work on the government level, we work on the parliament level, they understand us and our cooperation is mainly of economic character. Pay attention that we don't put forward any questions, we don't ask to recognize us as a state. You see, we don't need to get involved in political affairs because these can destabilize the situation in nearby countries. We propose just to cooperate as equal partners which means in principle by de-facto recognition—not even the political recognition or economic alone.

Our economic relations with Ukraine are much better now but still there is the main problem in creating trade joint ventures. I must say that we have the expert balance of trade not only with Moldova, but also with Russia and Ukraine, where it amounts respectively to 14 and 25 milliard rubles. Of all our neighbors, only Belorussia [Belarus] is an exception from this rule. Our import from Belorussia exceeds our export there which should be corrected because the exporting country is always in more preferential position. This process is much influenced by the different national currencies and other difficulties in payment.

Of course we don't refuse from the cooperation with Western countries. This year, by the way, a number of foreign businessmen invested their money in the development of our economy [word indistinct]. Speaking about Western investment in our economy, we can't help mentioning such enterprises as [words indistinct] plants of refrigerated trucks/trailers in Tiraspol, metallurgic and [word indistinct] plants in [words indistinct] and many other and I won't enumerate them all because they'll take a long time. Nevertheless, this fact is not a confirmation that European countries are ready to cooperate with us in this sphere.

The situation in agriculture is not brilliant as it was expected to be. I mean first of all bad weather conditions. Due to the recent drought and continued spell of hot dry winds and also because of light frost, the situation in agriculture has worsened which requires additional expense. We had to restore about 70 percent of area under crops and in this case against the main burden is shouldered on our industry. Industrial enterprises must earn enough money to buy grain not only for baking but also for fodder. Our sowing campaign was followed by a re-sowing one but all the crops however will be used as a fodder due to bad weather.

Except for power sources, grain and sugar are two main products whose production is strictly controlled by the government, and I must say that we have taken certain measures to provide us with a sufficient quantity of elementary products. As for the livestock breeding, here we have chosen another way and now we have completed a special agreement in order to provide a full capacity (operation) of livestock breeding complexes on the following conditions. We'll sell 50 per cent of meat (and they'll) supply us with forage. Another 50 per cent will be distributed on our own market. This scheme allows us to provide enough forage to increase the total amount of livestock and especially of pedigreed livestock. In agriculture, we also welcome foreign investments. We have many joint ventures with Israeli firms, with (agribusiness) enterprises from Hungary and Germany and we will continue our cooperation but we are not going to sell our land for our main means of production. Our task is to attract investors in order to provide jobs for all [words indistinct] population.

During more than three years of its existence, our republic becomes more firm in its position from day to day and our main position remains the same as before. Every man [word indistinct] on this land should have equal rights with others, should be able to display his abilities and live free regardless of his nationality or language. [end recording]

Dniester's Smirnov Accused of Embezzling $1.5 Million

AU0406174494 Chisinau BASAPRESS in English 1925 GMT 3 Jun 94

[Text] Tiraspol BASAPRESS, 3/6/1994—The Tiraspol Court examined today the case of Colonel Bergman [commander of an army division] who is being sued by Igor Smirnov, president of the Dniester Republic, who claims moral damages. Smirnov estimated at 100 million rubles the damages caused by Bergman's disclosures, especially regarding the $1.5 million the Tiraspol leader withdrew from accounts with Austrian banks. As a witness, Tiraspol Finance Minister Oleg Natakhin confirmed that in November 1993 he was in Vienna with Smirnov and Coloti, from the Dniester Republic's bank, intending to open a correspondent account of the Dniester bank in an Austrian bank. Natakhin said he does not know whether Smirnov withdrew the $1.5 million.

Colonel Bergman made a statement asserting that the court violates the penal code and the legal procedures and it is biased. A recess has been called: The trial will continue when another judge is appointed. The date of the next session was not specified. The court hall was surrounded by women waving banners with insults against General Lebed [commander of the 14th Russian Army stationed in Dniester] and Colonel Bergman.

Kazakhstan

World Bank Grants $15 Million Loan

LD0606090494 Almaty Kazakh Radio Network in Kazakh 0800 GMT 6 Jun 94

[Text] The World Bank confirmed a $15.7 million loan to Kazakhstan. The loan will be used for modernizing the Republic's oil-recovery industry and to attract additional foreign investments in the industry. The loan will be paid back in 17 years.

PRC Friendship Delegation Arrives on Visit

LD0406093794 Almaty Kazakh Radio Network in Kazakh 0400 GMT 4 Jun 94

[Text] A delegation from the Mori Kazak area [Xinjian Uygur Autonomous Region] has arrived in Almaty at the invitation of Kazakhstan's friendship society. It is led by Salem Rakhman-Ulu, the chairman of the people's government of the area. The goal of the visit is to establish friendship and business relations with Kazakhstan. Zhibek Omirkhanova, the chairman of the presidium of of the friendship society, briefed guests on the work of it. The guest will visit educational establishments, museums, and companies, and will meet activists of the Chinese-Kazakhstan friendship society.

UK Trade Delegation Ends Visit

LD0606102794 Almaty Kazakh Radio Network in Russian 0800 GMT 6 Jun 94

[Text] A delegation of leading British businessmen, led by George Young, minister for housing, inner cities and construction, has ended its visit to the republic. The outcome of the visit was concluded by a news conference held at the Kazakh Ministry of Construction. It was noted that Great Britain last year ranked fifth in the foreign trade turnover of our republic, with 12 joint Kazakh-British ventures functioning at the moment. Representatives of British major businesses continue to establish ties with the economic structures of Kazakhstan, even during this visit. As is known, the winner of the tender for the Karachaganak deposit development in West Kazakhstan oblast is the British Gas company. Together with the Italian Agip, the British Enterprise Oil and the Spanish Ereston companies, British Gas won the tender for the search for hydrocarbons in the promising Bayganin field in Aktyubinsk oblast. The British [name indistinct] company successfully completed talks on setting up a joint venture with Kazakh firms in Mangistau oblast. British businesses are displaying evident interest in the development of the Republic's construction complex. An accord has already been reached whereby British companies and banks will participate in the modernization of the construction industry and the training of personnel. Joint production will be set up, including use of new technology and know-how, and projects which are of mutual benefit for both sides will receive investment.

Nazarabayev Attends Supreme Council Session

LD0306160694 Almaty Kazakh Radio Network in Kazakh 1400 GMT 3 Jun 94

[Text] The Coordination Council of the Supreme Council held its regular session chaired by Speaker Abish Kekilbayev today. President Nazarbayev participated in its work and spoke at the session. The head of state shared his thoughts with the parliamentarians about the most important foreign political and domestic problems of the Republic's life. Problems of relations between the Legislative and Executive Branches of power were also at issue, as well as the problem of organization of the Supreme Council's work, and its future as a law-making organ.

More Than 5 Million Tonnes of Grain To Be Exported

LD0606081794 Moscow ITAR-TASS World Service in Russian 0632 GMT 6 Jun 94

[Report by Fedor Ignatov, ITAR-TASS correspondent]

[Text] Alma-ata [Almaty], 6 Jun (ITAR-TASS)—In accordance with intergovernment agreements, Kazakhstan is to supply over 5 million [metric] tonnes of grain to other countries this year. Three million tonnes is to go to Uzbekistan, while Belarus, Kirghizia [Kyrgyzstan], and Iran are to get 500,000 tonnes each. Grain from Kazakhstan will also go to Tajikistan, Moldavia [Moldova], and Turkmenia [Turkmenistan].

Individual producers will contest the right to export grain in auctions to be staged by the Kazakhstan International Exchange and the Republic's commodity exchanges. A resolution adopted on this subject by the Cabinet of Ministers notes that exported grain will be exempt from customs duty.

Kyrgyzstan

Akayev on Ties With Europe, Russia

LD0306131194 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 2300 GMT 2 Jun 93

[Text] President Akayev said in an interview published in Brussels that he expects much from Europe. We have established ties with Europe already, for instance with Switzerland and Germany. But these ties are still fragile, the president admitted.

He went on to say that Kyrgyzstan is the only country in Central Asia that has fulfilled the program of transition to the market economy in conformity with the criteria of the IMF and the World Bank. I am trying to persuade foreign investors to participate in the revival and restructuring of our industry. In exchange, we shall give you favorable conditions for using our mineral resources deposits, of rare metals, of materials which can be used in new technologies and strategic branches.

Touching upon migration of the Russian-speaking population from the republic, Akayev said it is typical of the Central Asian region on the whole. It is a natural process, the president believes. [words indistinct] of democratization, but Russians are also a skilled labor force. We are trying to slow down their migration.

He said that relations with China are a top priority for all Central Asian states. Our region is located between the two great powers which we regard as two wings for our flight. Flight on two wings is a guarantee of our sovereignty. Russia is our main ally and trade partner. We think we shall pass this stability on to our children as a heritage. The Russian cultural and scientific heritage inherited from our forefathers helps us be open to the world. Thanks to Russia we became Europeans, the children of [words indistinct], the president of Kyrgyzstan said.

Signs CSCE Paris Charter

LD0306193694 Moscow ITAR-TASS in English 1806 GMT 3 Jun 94

[Report by ITAR-TASS correspondent Andrey Krasnoschekov]

[Text] Paris 3 June TASS—"Today is a historical day for the independent Kirghizia [Kyrgyzstan], whose people chose a path of true democratic development, formation of a legal state and economic reforms," President of Kirghizia Asker Akayev said at a solemn ceremony held in the Elysee Palace today, during which he signed the Paris Charter for a New Europe of the Conference on Security and Cooperation in Europe (CSCE). This document was adopted by CSCE member states in 1990, and France is its depositary.

The Kirghiz president emphasised that the Paris Charter is based on principles of maintaining stability and security in the world, and triumph of democracy and human rights, the main values, which must help human civilization make progress, so that in the XXI century mankind does not have to know war, sufferings and dangers which we are encountering now. "I signed this document with a clear conscience, as we in Kirghizia affirm the same ideas of personal freedom, political and economic liberties, priority to protection of rights, interests and dignity of mankind," he said.

Asker Akayev especially noted France's important contribution to the development of European partnership, establishment of contacts between the West and the East, its role in preparing and signing the final document of the CSCE Treaty signed in Europe and the Paris Charter for a New Europe.

Having signed the Paris Charter for a New Europe, France has become a full-fldged member of the vast international community," President Francois Mitterrand said at the signing ceremony. This document marks the end of the "cold war" and division of the world into two confronting military blocs, and, thus, has opened 'new times' in relations between states, he emphasised.

The two heads of state signed a treaty of understanding, friendship and cooperation between Kirghizia and France, as well as a number of other bilateral agreements on the develoment of cooperation in political, economic and cultural fields.

Asker Akayev noted that Kirghizia attaches great importance to these documents, because "French foreign policy has always distinguished itself by its well-foundedness, wisdom and insight." Francois Mitterrand's recent visit to Central Asian republics bears a striking testimony to this fact, he said. According to the Kirghiz president, this was a call to leading powers of the world to see to it that Central Asian countries developed as democratic, secular and civilized states. "I am convinced that only this path can lead to progress and prosperity of Central Asian states," Asker Akayev said.

Concludes Paris Visit 4 Jun

LD0506175294 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 2300 GMT 4 Jun 94

[Text] The Kyrgyz government delegation, led by President Akayev, has concluded its official visit to France. Key issues discussed in the talks were the prospects of economic and culture ties between Kyrgyzstan and France. The [words indistinct] visit in Paris, Akayev signed an agreement on scientific and technical cooperation between the two countries and an agreement to protect investments. On behalf of the Republic, Akayev signed the Paris charter for a new Europe. At the World Bank's Paris headquarters Akayev discussed with World Bank officials and representatives of the IMF the implementation of structural reforms in the Republic's economy and the possibility of receiving low-interest credits. The Kyrgyz president also took part in a conference on "Kyrgyzstan is a Central Asian Switzerland" organized by the French Institute of International Relations. Members of the delegation returned to Bishkek 4 June.

Tajikistan

Guard Killed; 'Emergency Announcement' Expected

LD0406090094 Moscow ITAR-TASS World Service in Russian 0632 GMT 4 Jun 94

[Excerpts] Dushanbe, 4 Jun (ITAR-TASS)—Lieutenant Colonel Sergey Leontikov, a Russian border guard officer, was killed this morning in a Dushanbe housing estate by unidentified criminals. An ITAR-TASS correspondent was told at the command headquarters of the Russian border guards in Tajikistan that he was shot not far from his personal garage. An investigation has started.

This is the third instance since the beginning of the week of physical reprisals against Russian servicemen. [passage omitted]

An ITAR-TASS correspondent heard that the command of the group of Russian border guards in Tajikistan is to make an emergency announcement today.

'Personal Scores' Reason for Killing

LD0406121994 Dushanbe Radio Tajikistan Network in Russian 1000 GMT 4 Jun 94

[Text] Citizen S, who killed Lieutenant Colonel Vladimir Borisenkov of the Russian border forces in Tajikistan, was caught by the special workers of the MVD of Frunzenskiy rayon of Dushanbe city. The correspondent of the KHOVAR news agency obtained this report from the press center of the Republic's MVD. As it was already reported on the morning of 31 May, the 37-year-old border officer was shot close to his own private car while preparing to go to his place of work. Citizen S fully admits his guilt. It has became clear there were personal scores between the officer and the arrested and the killing did not have any political motive. The press center also stressed that details on this killing will be announced additionally at the end of the investigation.

Troop Commander Adopting 'Decisive Measures'

LD0406121894 Moscow ITAR-TASS World Service in Russian 1036 GMT 4 Jun 94

[Report by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 4 Jun—The beginning of a well-organized and directed campaign of terror against the Russian military contingent in Tajikistan was how Lieutenant General Anatoliy Chechulin, commander of the Russian border troops in the Republic, saw the killing of seven Russians, including five senior officers, two of whom were border guards. All the murders were committed over a short period, from 31 May to 4 June.

Speaking today at an emergency press conference in Dushanbe, the commander declared that the border guard leadership "does not intend to tolerate any more blows from behind and is adopting the most decisive measures to ensure the armed protection of its servicemen both at their duty station and at their family residences." Anatoliy Chechulin said that other action was also to be taken to ensure the servicemen's personal security. Authorized weapons and standard-issue military hardware were being made available for the protection of Russian citizens.

The commander demanded that Tajikistan's law-and-order bodies should adopt all possible measures to catch the criminals, as well as a strict and objective investigation. "The criminals," declared Gen. Chechulin, "must be brought to justice for what they have done."

Russia To Protect Servicemen in Tajikistan

LD0406130594 Moscow ITAR-TASS World Service in Russian 1058 GMT 4 Jun 94

[Report by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 4 Jun—Russia will take all measures to protect Russian servicemen and ethnic Russians living in Tajikistan. This was stated at a news conference in Dushanbe today by Lieutenant General Anatoliy Chechulin, commander of the Russian border troops in Tajikistan, in connection with the killing of seven Russians, including five senior officers, two of whom were border guards. All these were committed in a short period between 31 May and 4 June.

Mecheslav Senkevich, Russian ambassador to Tajikistan, and Major General Afanasiy Kim, military procurator of the Russian border troops, who also took part in the news conference, said that the question of adopting measures to protect Russians was raised today at an emergency session of the Tajikistan Government.

In the view of General Chechulin, the killings of the Russians mark "the start of the implementation of directions issued by leaders of the extremist wing of the armed opposition, including Sayed Abdullo Nuri, leader of the so-called government-in-exile, who have recently called for acts of terrorism against Russian servicemen." Their aim, the commander stressed, is to destabilize the situation in Tajikistan, to wreck the second round of inter- Tajik talks, and also to provoke negative public opinion regarding the desirability of a Russian military contingent in Tajikistan.

Major General Gennadiy Blinov, first deputy interior minister of Tajikistan, acknowledged that the acts of terrorism against Russian servicemen and ethnic Russian officers serving in Tajikistan's national armed forces were planned. The search for the criminals is being carried out in close contact with the Russian military procuracy, he said. ITAR-TASS has learned that three individuals suspected of killing Russian officers have already been detained.

Having stated that the Russian leadership "does not intend to tolerate any more blows from behind and is adopting the most decisive measures to ensure the armed protection of its servicemen," General Chechulin called on Tajikistan's bodies of law enforcement to take all measures to catch the criminals and to carry out a strict and objective investigation.

Russian servicemen will do everything to "protect themselves from the threat of banditry from whatever source, using their professionalism and the force of their weapons," the commander of the Russian border troops in Tajikistan stressed.

Gunmen Adopt Terror Tactics After Russian Army Successes

PM0606101394 Moscow KRASNAYA ZVEZDA in Russian 3 Jun 94 p 3

[Report by Anatoliy Stasovskiy under the "Events and Commentaries" rubric: "Fifth Victim: Is the Opposition in Tajikistan Switching to Terror?"]

[Text] Alarming and tragic reports continue to come in from Tajikistan. Another two servicemen died on the evening of 1 June. Private Vladislav Maksakov, who was in charge of a border detail, was blown up by a mine laid by gunmen in the 9th Border Troop Subunit's section. And in Dushanbe, Lieutenant Colonel Yuriy Shkipkin, deputy chief of a Tajik Defense Ministry troop service, was killed not far from his home.

The investigative commissions of the Russian Border Troops and the Tajik law-enforcement agencies hardly have time to get to the bottom of one tragedy before another occurs. You cannot help noticing that attacks on the military have started to occur most frequently in the rear services and as a result of terrorist and sabotage acts. According to statements by the Tajik law-enforcement agencies, the murders of both Lt. Col. Vladimir Borisenkov of the Russian Border Troops (31 May) and Lt. Col. Yuriy Shkipkin from the Republic's Defense Ministry are criminal offenses. And yet it may be supposed with a high degree of probability that gunmen are implicated here. The opposition has chosen new tactics for waging the struggle. Since the failure of several operations actually on the border and substantial losses of mojahedin they have switched to sabotage and terror. It is perfectly possible that the current stepping up of terrorist activity has been prompted by the successful Russian Border Troop operation carried out in the section covered by the 8th Border Troop Subunit of the Pyandzh border detachment (31 May-1 June) to "squeeze" gunmen out of the Naychi peninsula: Several dozen mojahedin were forced to take to their heels to save themselves after successful joint actions by border troops and servicemen of the Russian 201st Division.

Five members of the border troops have fallen victim to terrorism already this year. Aware that they are losing support even among sympathetic strata of the population, the gunmen are acting with special savagery, deviousness, and baseness, but by no means do all manage to get away scot-free. According to the latest ITAR-TASS report, thanks to operational actions carried out by investigations and law-enforcement agencies, an inhabitant of Tajikistan was arrested 1 June on suspicion of murdering Lt. Col. Borisenkov.

Russian Guards Foil 'Opposition' Afghan Border Crossing

LD0606101694 Moscow ITAR-TASS in English 1002 GMT 6 Jun 94

[Report by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe 6 June TASS—Russian border guards prevented another attempt by a small group of Tajik opposition forces to cross the Afghan-Tajik border on Sunday [5 June] at a border stretch guarded by the Pyanj border unit. The attempt was stopped by artillery fire, ITAR-TASS learned from sources in the headquarters of the Russian border guards in Tajikistan.

In another incident on Sunday, an armed person was killed when trying to cross into Tajikistan near Khorog from Afghanistan. The violator did not heed the border guards' warning shots. There were no wounded among the Russian border guards in the two indicents.

Uzbekistan

ROK President Kim Arrives, Met by Karimov

LD0406112394 Moscow ITAR-TASS World Service in Russian 1048 GMT 4 Jun 94

[Report by ITAR-TASS correspondents Vladimir Nadashkevich, Vilor Niyazmatov]

[Text] Tashkent, 4 Jun—Kim Yong-sam, president of the Republic of Korea, arrived in Uzbekistan on a state visit today.

The purpose of the visit is to discuss questions of developing bilateral relations further, first of all in the economy, and to become acquainted with the lives of over 200,000 Koreans living in Uzbekistan.

Kim Yong-sam is accompanied on the trip by a group of ministers and heads of departments.

The lofty guest was met at the capital's airport by Islam Karimov, president of Uzbekistan, members of the cabinet of ministers, representatives of the Tashkent public and by heads of diplomatic missions accredited to the Republic of Uzbekistan.

Share View on Nuclear Issue

SK0406111694 Seoul YONHAP in English 1108 GMT 4 Jun 94

[Text] Tashkent, 4 June (YONHAP)—Visiting South Korean President Kim Yong-sam and Uzbekistan President Islam Karimov had a summit meeting here Saturday [4 June] afternoon at the guest house President Kim was staying to exchange opinions on the North Korean nuclear question and other matters of mutual concern.

The two presidents shared the view that the suspected nuclear development by North Korea poses a serious threat to the security not only of the Korean peninsula but also of the rest of the Northeast Asia area.

Presidents Kim and Karimov agreed that their countries would closely cooperate with each other at international organizations.

Karimov said his country would support South Korea's bid to obtain a non-permanent seat at the U.N. Security Council.

The two leaders expressed satisfaction at the rapid progress registered in their bilateral relations in a short period of time since their diplomatic normalization.

The summit meeting was followed by an official banquet President Karimov hosted in honor of President and Mrs. Kim.

Earlier in the day, President Kim arrived at the Tashkent airport to begin a three-day official visit to the Uzbekistan Republic. President and Mrs. Kim were greeted by President and Mrs. Karimov and a number of other Uzbekistan leaders at the airport.

Discuss Cooperation

SK0506041094 Seoul YONHAP in English 0303 GMT 5 Jun 94

[Text] Tashkent, 4 June (YONHAP)—South Korea and Uzbekistan will promote partnership and cooperation by combining Korea's development experience and industrial technology and Uzbekistan's rich natural resources and industrious labor.

This was agreed on in a summit between Presidents Kim Yong-sam and Islam Karimov in the state guest house Saturday afternoon, President Kim's spokesman Chu Ton-sik said.

President Karimov, welcoming South Korean corporate investment in his country, agreed to provide as much legal and administrative support as possible to Korean corporations investing in Uzbekistan.

Kim said South Korea would support the Central Asian country's economic development program, while pursuing a policy to promote economic cooperation between the two countries, according to the spokesman.

On Sunday, Kim is to visit a farm run by an ethnic Korean near Samarkand, the old capital of Uzbekistan, and attend a reception for ethnic Koreans hosted by the Tashkent province governor.

Kim Comments on DPRK Nuclear Issue

SK0406085294 Seoul YONHAP in English 0841 GMT 4 Jun 94

[Text] Aboard special plane en route to Tashkent, 4 June (YONHAP)—President Kim Yong-sam said on Saturday [4 June] South Korea and the United States stand fully prepared against any contingency over the North Korean nuclear question.

While meeting with reporters aboard his plane en route to Tashkent following his official visit to Russia, President Kim said the two countries have a full grasp of all North Korean movements through an around-the clock surveillance system.

"A war should be forestalled by all means," Kim said. "But, South Korea and the United States possess enough force of arms to cope with any contingency."

The president said he fully discussed in a telephone conversation with U.S. President Bill Clinton a possible sanction against North Korea and the issue of national security for 35 minutes on Friday.

"Cooperation between our two countries is perfect. I understand the telephone conversation between Presidents Clinton and Boris Yeltsin, too, was satisfactory," he said.

Saying that all things seem going well with regard to the issue of taking a sanction against North Korea, President Kim said, "Our people may be relieved at conditions that may develop over the nuclear issue."

He also said President Yeltsin promised not to supply any weapons either offensive or defensive to North Korea.

"Given the fact that Russia had in the past been the main supplier of weapons for North Korea, this pledge of Russia has a very important bearing," President Kim said.

Further on Kim's Tashkent Visit

LD0506125694 Moscow ITAR-TASS in English 1240 GMT 5 Jun 94

[Report by ITAR-TASS correspondents Vladimir Nadashkevich and Vilor Niyazmatov]

[Text] Tashkent 5 June TASS—President Kim Youngsam of South Korea, accompanied by Uzbek President Islam Karimov, arrived in Samarkand by a special plane at the beginning of the second day of his stay in Uzbekistan.

Having familiarised himself with the unique gems of ancient architecture, the South Korean leader gave a high appraisal of unsurpassed oriental masterpieces and of how carefully they are being preserved, left an autograph in the honorary visitors' book.

On Sunday afternoon Mr Kim returned to Tashkent. In the evening he is to visit the facilities of the corporation named after twice hero of labour Kim Pyong Hwa, who had directed the corporation for several decades. The president is to meet with members of the Korean diaspora who account for a half of the corporation personnel.

The third and final day of Mr Kim's visit to Uzbekistan on 6 June will begin with the Korean delegation's official talks with the Uzbek side. The talks are expected to result in the signing of a package of important documents which will include in particular agreements on air transport and cultural cooperation, a protocol on diplomatic relations between the ministries of foreign affairs of Uzbekistan and South Korea, and a memorandum on reciprocal visa-free travel of representatives of the two countries.

A press conference of the two presidents is to be held at the close of the talks. More than one hundred Korean journalists have been accredited in Tashkent to cover the state visit.

Discuss Economy, Ethnic Koreans

SK0606063294 Seoul YONHAP in English 0613 GMT 6 Jun 94

[Text] Tashkent, 6 June (YONHAP)—South Korean President Kim Yong-sam held an extended summit meeting Monday [6 June] with his Uzbekistani counterpart Islam Karimov to discuss promoting economic cooperation and enhancing the rights and interests of ethnic Koreans living in Uzbekistan.

Kim suggested that the two countries sign a treaty on the use of natural resources and set up a trade committee to activate trade and investment, according to officials accompanying the president.

The South Korean president called on the Uzbekistan Government to prepare measures soon to expand cooperation in construction and various technologies while Karimov welcomed the request and promised to take the necessary steps, the officials said.

Welcoming the present state of active trading and joint-venture projects in some fields, the two presidents shared the view that the Agreements and Memoranda of Understanding (MOU) signed during Kim's visit will help boost bilateral exchanges in various areas, the officials said.

The agreements and MOUs signed during the past days cover aviation, culture, free passage, bioengineering and agricultural technology.

Expressing thanks to the Uzbekistan Government and its people for helping ethnic Koreans who were trying to resettle after being forcibly taken to Uzbekistan from the Russian Far East under the rule of Josef Stalin, Kim asked Uzbekistan to continue protecting the rights and interests of these Koreans, according to the officials.

In particular, Kim stressed that ethnic Koreans could play a role in building relations between the two countries, they said.

Karimov, meanwhile, emphasized that the 200,000 ethnic Koreans in Uzbekistan are proper citizens under Uzbekistani law and, therefore, will not be subjected to discrimination or unfair treatment under any circumstances, the officials said.

Uzbekistan's president praised ethnic Koreans for their role in developing the country and pointed out that some are serving as high-level officials including vice minister, according to the officials.

Kim and Karimov witnessed the signing of agreements on aviation and other fields before giving a joint new conference.

Kim was to leave for the Russian Far East city of Khabarovsk Monday afternoon after an official send-off ceremony at Tashkent airport, winding up his three-day state visit to Uzbekistan.

Kim will also visit Vladivostok and meet with Naval commanders at Russia's Pacific fleet headquartered in the Russian Far East city. While there, Kim will go on an observation tour of a submarine and other naval equipment before returning to Seoul late Tuesday.

Karimov Sees ROK Role in Central Asian Peace Talks

LD0506161394 Moscow ITAR-TASS in English 1547 GMT 5 Jun 94

[Report by ITAR-TASS correspondents Vladimir Nadashkevich and Vilor Niyazmatov]

[Text] Tashkent 5 June—Uzbek President Islam Karimov called his South Korean counterpart Kim Young-sam to cooperate in promoting a peace settlement of the Tajik-Afghan conflict.

Speaking about prospects for bilateral relations during a reception in honor of the high guest, the Uzbek leader stressed that all preconditions for these ties had been created during the past two years.

Encouraging South Korean entrepreneurs to step up investments in Uzbekistan's key industries, Karimov described Uzbek cotton, gold, well-organized chemical and metallurgical industries as the best guarantee of their investments. The republic's president also belives that Uzbekistan and South Korea could closely cooperate in international political issues, for example to work for a nuclear- free status for the Central Asian region.

In his turn, the South Korean president said he believed in the great future of the newly-independent Uzbek state, which is to play a key role in Central Asia in the near future.

Speaking about over 200,000 ethnic Koreans living in Uzbekistan, Kim Young-sam thanked Uzbek people for their warm and hearty attitude towards his compatriots. Were it not for their assistance, the bitter fate of the Koreans deported from the Far East under Josef Stalin's order would have been even more tragic, the South Korean leader noted. He said he did not worry about his fellow-countrymen living in Uzbekistan.

Official: China Not To Veto UN Sanctions on North Korea

SK0506093294 Seoul YONHAP in English 0912 GMT 5 Jun 94

[Text] Tashkent, 5 June (YONHAP)—China is expected not to exercise the veto when the U.N. Security Council resolves to impose sanctions on North Korea for its suspected nuclear safeguards violations, a ranking South Korean official accompanying President Kim Yong-sam on his tour of Uzbekistan said Sunday.

South Korea and related countries stand firmly for effective international sanctions against North Korea, he said, adding negotiations on the sanctions are under way among permanent U.N. Security Council member countries and related nations.

But full-dress negotiations on a draft U.N. Security Council resolution on the North Korean nuclear issue will start after President Kim returns to Seoul Tuesday, he said.

Senior presidential foreign affairs and security aide Chong Chong-uk said the government is maintaining close contact with the U.S. Government, while consulting with friendly nations about a number of measures to cope with the tension over North Korea's nuclear standoff.

The situation now is not worsening and there is no special development of the situation on the Korean peninsula, he added.

President Kim, receiving reports on the movements in Seoul and the United Nations in relation to the North Korean nuclear issue from Chong before his departure for Samarkand, told him to stay in Tashkent and have a thorough grasp of developments of the nuclear issue. Chong was to accompany Kim on his visit to the old Uzbek capital city.

While in Moscow and Tashkent, Kim was briefed by his aides on what was discussed in the Unification and Security Policy Coordination Council in Seoul and nuclear ambassador Kim Sam-hon's activities in Washington, Chong said.

Moscow Evening News Programs To Be Cut

LD0406161294 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 4 Jun 94

[Text] Uzbekistan plans to stop transmission of all news from Moscow. From next week the main Ostankino evening news programs will be cut. The republic's National Television and radio Company intends to fill the slots with entertainment programs.

Armenia

Azeri Forces Sustain Losses in Attack 3-4 June

LD0406170794 Moscow Radiostantsiya Ekho Moskvy in Russian 1500 GMT 4 Jun 94

[Text] The situation has again worsened on the northeast section of the border between Azerbaijan and Armenia. Our correspondent has the details:

[Unidentified correspondent] The press service of Armenia's Defense Ministry says that on the night of 4 June, a motorized infantry battalion of the Azerbaijani Army, supported by armored vehicles, attacked positions of Armenia's territorial defense forces close to the village of (Davik) in Noyemberyansiky rayon. Azerbaijani subunits managed to move onto Armenian territory and even to progress toward the rayon center of Noyemberyan. However, after a regrouping of forces and the arrival of reinforcements, the aggressor was beaten back to its original positions. Azerbaijan's Army lost around one infantry platoon [as heard] and one infantry combat vehicle. The Armenian losses are not yet known.

Relative Quiet Observed on Karabakh Front

NC0406105594 Yerevan SNARK in English 0912 GMT 4 Jun 94

["The Armistice Is Being Followed"—SNARK headline]

[Text] Stepanakert, June 4 (SNARK)—Relative quietness exists at the Karabakh fronts for about a fortnight. The Karabakh State Department of Press and Information told SNARK the from-time-to-time single firings of the positions of the Karabakh Defense Army brought to no serious consequences. The Karabakh side pays no back action to such provocations.

Bomb Explodes on Train Inbound From Georgia

NC0306142594 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0807 GMT 3 Jun 94

[Text] Yerevan ("LRAGIR", "RESPUBLICA ARMENIA" dailies), 06/03/94—A regular explosion blew in a carriage of the train heading to Armenia, between the Sadakhlo and Ayrum stations (on Georgian territory) at 10:30am yesterday morning.

"LRAGIR" reports, the bomb was mounted in one of the freight carriages of the train. The explosion damaged the carriage, loaded with mazut (heating oil 1-4), but fire has been prevented.

According to "RESPUBLICA ARMENIA", 60 tons of fuel spilled out and cleaning operations are currently carried out at the railroad to restore movement of trains.

Spokesman of RA [Republic of Armenia] Special Affairs State Department A.Melkoumian informed "LRAGIR" that the railway wasn't damaged and movement of trains continues.

CSCE Group Arrives To Solve Observer Technical Problems

NC0406142394 Yerevan ARAGIL ELECTRONIC NEWS BULLETIN in English 0641 GMT 4 Jun 94

[Text] Yerevan ("HAYASTANI HANRAPETUTYUN" daily), 06/04/94—A CSCE delegation, consisting of Colonel Heikki Happonen (Finland) and Piotr Iwaszkiewicz (Poland) arrived to Idzhevan on June 3.

Head of the delegation Happonen declared during the meeting with the Chairman of the Idzhevan District Council that the CSCE is ready to station observers in the conflict zone within a short period of time.

An observers point will be created in Idzhevan, and the delegation arrived to Ijevan to resolve corresponding technical problems.

According to Happonen, thanks to the efforts of CSCE, Russia and all other countries interested in peaceful regulation of the Karabakh conflict, the peace has never been as close as today. And failing its implementation today would mean causing a disaster to the whole region.

Colonel also declared that a similar delegation is currently working in Azerbaijan and, hopefully, the CSCE observers and CIS disengagement forces will be stationed along the whole Karabakh- Azeri front line.

CSCE Official Comments

NC0306210494 Yerevan Armenia's Radio First Program Network in Armenian 1950 GMT 3 Jun 94

[Text] A CSCE delegation, which included Colonel Heikki Happonen and Piotr Iwaszkiewicz, arrived in Idzhevan on 3 July. During a meeting with the chairman of Idzhevanskiy Rayon Executive Committee, the head of the delegation Col. Happonen declared that they are ready to station CSCE observers in the Karabakh conflict zone shortly. A control point will also be established in Idzhevan, and the delegation arrived in the region to deal with the technical matters.

According to Col. Happonen, thanks to the efforts of the CSCE, Russia, and all other countries interested in the peaceful resolution of Karabakh conflict, peace has never been so close as it is now. To fail now would plunge the entire region into disaster.

The colonel also declared that another CSCE delegation is currently working in Azerbaijan, and there is hope that, in keeping with the agreement, the yellow berets and the CIS disengagement forces will soon be deployed all along the Karabakh-Azerbaijani conflict zone.

New Deputy Foreign Minister Appointed

LD0306143994 Moscow ITAR-TASS in English 1221 GMT 3 Jun 94

[By ITAR-TASS correspondent Tigran Liloyan]

[Text] Yerevan June 3 TASS—Eduard Zuloyan, 37, has been appointed Armenian deputy foreign minister and included in a state delegation at the talks with the Russian Federation.

Zuloyan graduated from the Yerevan Polytechnical Institute. He worked in the Yerevan Physics Institute and the Armenian State Security Committee, and was a foreign affairs adviser to the republican minister of transport and communications. Since July last year he has been heading the military-political department at the Armenian Foreign Ministry.

Zuloyan is married and has two children.

Azerbaijan

Armenians Reportedly Preparing New Offensive

NC0506194194 Baku TURAN in English 1703 GMT 5 Jun 94

[Text] Baku (June 4) TURAN—According to Azerbaijan's Defense Ministry a relative calm is observed along the front line.

At the same time, having crossed the state border of Azerbaijan and having started a new offensive towards Kemerli (Kazakh region of Azerbaijan) Armenian forces in result of fights mastered height Melicli, which is of strategical importance. Turan was told by local sources that remaining loyal to cease fire agreement Azerbaijan did not answered to this military actions of Armenia.

Military sources told Turan that Armenian Military forces continue to gather military hardware and soldiers on the north front.

Over 100 Armenians Killed, Wounded in Nakhichevan

NC0306162694 Baku Radio Baku International Service in Azeri 1300 GMT 3 Jun 94

[Text] The AZERBAIJAN NEWS SERVICE AND PRESS AGENCY [AZERBAYCAN NEWS SERVICE, PRESS AGENTLIGI] has reported that the situation between the Armenian and Azerbaijani forces has worsened over the past few days. A complex situation has emerged in Sadarak Rayon in the Nakhichevan Autonomous Republic, which is a part of Azerbaijan. The Armenian aggressors have made several attempts to attack important heights in that area over the past few days. Consequently, some 100 Armenian soldiers have been killed or wounded. The enemy units have been forced to retreat to their previous positions. Several Armenian tanks and other military vehicles have been hit in the clashes. Meanwhile, positional fighting continues on other parts of the front line.

Armenian Troops Move In Further

NC0306143794 Baku TURAN in English 1049 GMT 3 Jun 94

[Text] Baku (June 2) (TURAN)—Azerbaijan's Defense Ministry reports that there has been no fighting on the front over the past day.

Nakhchivan's Supreme Soviet reports that Armenian troops continue to consolidate their positions on the strategically important hills in the Sharur region of Nakhichevan, which they captured on May 27.

As a result of these operations, Armenian troops managed to move 3-5 kilometres further into the territory of Nakhichevan.

Review of Social Security Options

944K1343C Baku AZERBAYDZHAN in Russian 31 May 94 p 1

[AZERTADZH report: "At the Center of Attention—Social Protection"]

[Text] **Geydar Aliyev, president of Azerbaijan, has conducted a meeting devoted to questions of increased social protection for the population and a normalization of the financial situation of the republic's economy. Senior officials of the president's staff, the Supreme Council, and the Cabinet of Ministers and the leaders of ministries, state committees, companies, and banking and financial authorities took part in the meeting.**

The meeting's opening remarks were delivered by Geydar Aliyev.

We are paying constant attention to the socioeconomic problems of the republic, the president observed, although we are having to devote a large amount of time to matters connected with the war. Sometimes, therefore, problems of the socioeconomic sphere are not being resolved quickly enough, at times, because the instructions that are issued are not fulfilled in good time. But we consider the solution of these questions a most important task and we will continue to work in earnest in this direction. The development of the socioeconomic sphere, Geydar Aliyev emphasized, is our strategic course and the path toward a strengthening of the country's independence and the increased well-being of the people.

Tasks of socioeconomic development are being tackled together with the shaping of a free market economy and the creation of extensive opportunities for enterprise and business initiative, the president went on to say, and the measures that are being adopted are designed, primarily, to serve the interests of the people and are targeted at an improvement in the social position of all strata of the population.

Having announced that the leadership of the republic was preparing for the implementation of a number of steps in this direction, Geydar Aliyev expressed the opinion that they should be discussed in advance and invited the participants in the meeting to embark on this discussion.

Vakhid Akhundov, state counselor for economic policy, described the principal measures that it was planned implementing for a resolution of problems of the socioeconomic sphere and familiarized the participants in the meeting with a draft presidential edict that had been prepared in this connection.

Rasul Guliyev, chairman of the Supreme Council, Fikret Yusifov, first deputy minister of finance, Tofik Azizov, chairman of the Commission of the Supreme Council for Economic Policy and general director of the Nord Research-Production Association, Abdulla Melikaslanov, deputy president of the National Bank, Chingiz Abdullayev, chairman of the board of the Azerigazbank Industrial- Investment Bank, Rovshan Mustafayev, rector of the Azerbaijan Constitutional Development and International Relations Institute, Shokhret Vekilov, chief of the Republic State Main Tax Inspectorate, Sayad Ibragimov, vice president of the Azerbaijani Republic GNK [State Petroleum Company], Prime Minister Suret Guseynov, Fazail Agamaliyev, minister of labor and social protection of the populace, and Asaf Nadirov, academic secretary of the Academy of Sciences, took part in the discussion.

There was a wide-ranging exchange of opinions on the ways to lower social tension and normalize the financial situation. It was observed that whereas prices grew in the year approximately 14-fold, wages grew on average by a factor of 4.4. The interruptions in the supply to the populace of bread and fuel were discussed, and the opinion that a negative influence on the state of affairs in the baking industry was being exerted by the current big difference in the price of flour and the finished product was expressed. The situation in the petroleum industry has become extremely complicated, and the sector's debts have risen by 10 billion manat.

The participants in the meeting agreed with the need for the adoption of urgent measures to rectify the current situation. It is necessary first and foremost, the speakers emphasized, to increase the minimum wage and pensions paid to nonworking retirees and the grants to students and trainees of vocational-technical schools, to make provision for the payment of supplementary compensation from the resources of the republic budget for families whose per capita monthly income does not exceed double the minimum wage, and to raise the price of bread and energy, which should, in addition, be revised at least quarterly and brought into line with the rate of inflation.

Proposals were heard concerning the suspension prior to the end of the year of the construction of publicly funded facilities, the cancellation of the decisions adopted earlier on the allocation of soft loans to state-owned enterprises and organizations, a reduction in the number of central organs of administration and their employees, and a cutback on administrative-managerial costs. It was proposed also to make provision for the government's issue and sale of the requisite quantity of securities in order to partially cover the budget deficit and to switch from a tax-free system and tax exemptions for individual categories of individuals and legal entities to a system of payments of monetary compensation to the socially unprotected strata of the populace.

Speaking of other measures pertaining to a solution of the questions discussed, the participants in the meeting noted the importance of increased supervision of the pricing of the products and services of state-owned enterprises and organizations, the need for an audit of the resources of the entrepreneurs and other resources invested by state-owned enterprises in the private sector, the establishment of a precise delineation between republic and local budgets, and so forth.

In the opinion of a number of speakers, a rise in the minimum wage not only would not lower but would, on the contrary, increase the rate of inflation. To reduce it it is essential to saturate the consumer market either by increasing production or, temporarily, thanks to credit resources, thereby creating real conditions for a lowering of prices.

Having dwelt on questions connected with a normalization of the financial situation, the participants in the meeting observed that the criminal machinations and exaggerations in determination of the price of the dollar perpetrated by a number of private banks are serious destabilizing factors in this sphere. The president of Azerbaijan gave the necessary instructions in this connection.

Having considered the proposed draft presidential edict, the participants in the meetings were of the opinion that it should be reworked with the participation of scientists and specialists.

The meeting was summed up by Geydar Aliyev, president of Azerbaijan, who delivered an important speech.

Afiyaddin Dzhalilov, deputy chairman of the Supreme Council, Fuad Guliyev, first deputy prime minister, State Counselors Arif Ragimzade, Gabil Guseynli, and Idayat Orudzhev, Deputy Prime Ministers Samed Sadykhov, Elchin Efendiyev, and Asker Mamedov, and Rafael Allakhverdiyev, chief of the executive of the city of Baku, took part in the meeting.

Georgia

Delegation Returns From Abkhaz Conflict Talks

LD0606084494 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 6 Jun 94

[Text] A Georgian military working group involved in bilateral talks in Moscow on the Abkhazian conflict has returned to Tbilisi. The group included General Guram

Nikolaishvili and General Gia Vashakidze, Georgian deputy defense ministers; and Vladimer Chikonani, the commander of the Georgian interior troops. Jaba Ioseliani, the head of state's representative, led the group.

In accordance with the document of 14 May on a cease-fire and the disengagement of forces, the participants in the Moscow talks carried out the precise delineation of the peacekeeping troops' deployment areas and marked these on the map.

At the first stage of conflict settlement, peacekeeping forces will enter and take control of an area which is 78 km long, between [placename indistinct] and Ochamchire, and 56 km wide, between Tkvarcheli and (Atskura). Thirty control posts and five checkpoints will be set up and four mobile groups will be deployed throughout this territory. The headquarters of the joint command will be in Sukhumi. The UN representatives who are now working in the area as observers will be attached to the peacekeeping forces deployed in the area.

The peacekeeping force will include troops from the Russian Federation's Leningrad, Volga, and Ural military districts. These troops will start entering their areas of deployment from next week. Later, CIS peacekeeping forces will also be introduced.

It should be noted that the leaders of almost all CIS countries have supported the decision to deploy peacekeepers.

As Vladimer Chikovani pointed out, it is now difficult to speak of the so-called buffer zone any more, since the peacekeeping forces will enter and take control not only of a (?strip) along the Inguri river but also of an area of 2,184 square km around Gali. The area will include such large places as the towns of Gali and Tkvarcheli, and the villages of Zemo Okumi, Kvemo Okumi, Ghumurishi, Saberio, Sabedao, Otobaia, and Achigvara.

In answering our correspondent's question about the safety of returning refugees, Mr. Chikovani said that good working conditions have been created for the UNHCR and that the peacekeeping forces are legally entitled and have the ability to control the situation in any settlement in the Gali region.

Generals Aleksandr Sokolov, Yuriy Kozlov, and Aleksey Khapin represented Russia in the working group. The Abkhaz delegation included Anri Jergenaia, Ardzinba's personal representative and brother-in-law, as well as Sergey Dabar and Sultan Soslaniyev.

Yeltsin Reassures Shevardnadze on Peacekeepers

LD0406141994 Moscow Radio Rossii Network in Russian 1300 GMT 4 Jun 94

[Text] Eduard Shevardnadze, the Georgian head of state, has said that President Boris Yeltsin has confirmed Russia's stance regarding the introduction and deployment of CIS peacekeeping forces in Abkhazia. According to the Georgian leader, Boris Yeltsin said in a telephone conversation with him that there were plans to begin the introduction of peacekeepers in the very near future.

We remind you that two days ago the Federation Council voted against the participation of Russians in peacekeeping operations in Abkhazia.

Shevardnadze Comments on Russian Decision

LD0306195694 Moscow NTV in Russian 1800 GMT 3 Jun 94

[Text] [Announcer] The Russian Federation Council decision not to send peacekeeping forces to the Georgian-Abkhazian conflict zone did not go down well in Georgia or in Abkhazia. But Georgian leader Eduard Shevardnadze hopes for a positive outcome.

[Unidentified Correspondent] The unexpected complications in the Russian leadership over deploying peacekeeping forces in the Georgian- Abkhazian conflict zone evoked an equivocal reaction in Georgia. The opposition to the Georgian leadership, which thinks that Russia has no interest in stability in its southern neighbor, discerns in this a confirmation of Russia's unreliability as a partner. In particular, followers of Former President Zviad Gamsakhurdia, demonstrating outside the UN representation in Tbilisi against the presence of Russian troops in Georgia, organized a protest action against the introduction of Russian troops as peacekeepers in the Georgian-Abkhazian conflict zone.

The latest complications worry the Georgian leader as well. Eduard Shevardnadze had a telephone conversation with Russian President Boris Yeltsin on the subject today. In an exclusive interview for the Today program, Eduard Shevardnadze said:

[Begin Shevardnadze recording] At this point doing anything in contradiction to what has been agreed, on which agreement has been reached at all levels, would be irrational and unwarranted. It seems to me there was no prior explanation. Then, I think the Russian leadership understands that a swift settlement of the conflict is not only in the interests of Georgia, but of Russia as well. An unstable Abkhazia, and an unstable Georgia as a whole, are indisputably not conducive to establishing peace and order in the North Caucasus. So this is evidently a temporary phenomenon, and in a few days I think another decision will be made, one that will be conducive to settling the conflict. [end recording]

Defense Minister Discusses Abkhazia With UN Mission

LD0406105294 Tbilisi Radio Tbilisi Network in Georgian 0800 GMT 4 Jun 94

[Text] According to information passed to KONTAKT news agency by the press service of the Georgian Defense Ministry, Georgian Defense Minister Vardiko Nadibaidze met Teodor Starcevic, head of the UN mission in Georgia, and Brigadier General Hvidegaard, head of the UN observers in Georgia, who had been in

Abkhazia since the beginning of the month [as heard]. The meeting was attended by Mr Sandro Kavsadze, chairman of the committee for human rights and ethnic relations, and Nodar Tatarashvili, chief of general staff and first deputy defense minister.

Mr Hvidegaard expressed an interest in problems pertaining to the deployment of peacekeeping forces in Abkhazia, their number, and the location of their stationing. In addition, he acquainted the minister with the mandate of the UN mission about which he had talked with Mr Sandro Kavsadze. The presented draft mandate stipulates the control over the activities of peacekeeping forces and the cases of violation of the agreement as well as close relations with units of the peacekeeping troops. However, according to Mr Hvidegaard, the UN mission and the CIS peacekeeping forces will not interfere in each other's functions.

The minister thanked the guests for the visit and emphasized the urgency of the arrival of peacekeeping forces in the conflict zone in order to secure the establishment of peace in the region. As for the number and location of the peacekeeping forces, this issue is being discussed in Moscow, where the deputy minister, Guram Nikolaishvili is at the moment.

Speaking about the mandate, the minister said most of its paragraphs were acceptable for him. He also emphasized that cooperation between the UN observers and the international peacekeeping forces played a decisive role in the settlement of the conflict. He promised the visitors actual assistance in handling their problems.

Police Fire Warning Shots at Crowd Attacking Candidate

LD0506191094 Tbilisi First Program Television Network in Georgian 1700 GMT 5 Jun 94

[Text] A Georgian Information Agency correspondent has learned from competent sources that a meeting was held in Chkhorotsku yesterday between voters and a candidate representing the Traditionalists' Union. About 70 voters attended the meeting, which was addressed by Akaki Asatiani, chairman of the Traditionalists' Union. He used offensive terms when referring to the policy of the present government, to Eduard Shevardnadze, and to rayon police employees, whom he called traitors because they served the authorities.

This prompted a negative reaction from participants in the meeting. A large proportion of them left the building in protest following a heated argument and oral exchange. After a short while, a group of outraged citizens moved toward the building while the visitors were still there. In order to avoid a serious incident, the police fired several warning shots in the air. The chairman of the Traditionalists' Union and union members were forced to leave the building and then the rayon.

Criminal proceedings have been instituted in connection with the incident. An investigation is under way.

Coordination Center for Georgia-Ossetia Established

NC0506184094 Yerevan SNARK in English 0612 GMT 5 Jun 94

[From the "Business SNARK Transcaucasia Economic News" 6th issue for 28 May - 4 Jun]

[Text] Tbilisi—A protocol has been signed between Georgia and Russia on establishment of coordination center aimed to distribute the financial and material aid. The decision was assumed to realize the last-year September 14 agreement "On economic reconstruction of region in the zone of Georgian-Ossetian conflict".

However, as SNARK reporter was told in the International Economic Relations Department of Georgian Foreign Ministry, the Russian side has not yet allocated the 5b rubles promised for reconstruction. Also the decision on Russian 20b credit to Georgia for 1994 has not been made yet, though the corresponding agreement was reached during Boris Yeltsin's visit to Georgia. Russian side, the department says, puts forward the requirement that Georgia should liquidate the 10b debt by credits granted to her last year.

Estonia

Foreign Ministry Report on Russian Troop Withdrawal

WS0306101394 Tallinn Ministry of Foreign Affairs Press Release in English 0926 GMT 2 Jun 94

["Status report on the Withdrawal of Russian Troops From Estonia" dated 1 June 1994, based on data provided by Estonian Ministry of Defense and the Defense Forces Headquarters —received via Internet E-LIST]

[Text] During May 1994, no significant changes occurred in the infrastructure and composition of the Russian troops located in Estonia. At the same time the situation of the withdrawal of the troops has become very complicated and contradictory. On one hand the Russian authorities are trying to do everything to maintain their military presence in Estonia while on the other hand a very slow withdrawal process is still going on simultaneously.

In order to maintain its military presence, the Russian side has further strengthened its attempts to relate the withdrawal of the troops with other issues, for example the granting of special rights to military pensioners and enhancing the accusations against Estonia of the alleged violence of human rights. While still avoiding the announcement of the deadline and timetable of the withdrawal of its troops, the Russian side is trying to accuse Estonia of the failure in Estonian-Russian negotiations so far. Russia is still presenting claims which can only be interpreted as interference into the internal affairs of the Republic of Estonia (the Law on Citizenship, the Language Law etc.). All this prevents the establishment of the good neighbourly relations between the two states and confirms that in the political life of Russia, imperial ambitions to restore the sphere of influence of the former Soviet Union still play a very important role.

During May the Estonian side was able to take over only 3 objects: the depots in Arukuela in Harju county which formerly belonged to the navy, the depot of the boatswain's equipment at 6 Lootsi Street and the supply depot at 14 Lootsi Street in Tallinn.

According to available information, preparations for transfer are going on at 13 objects in all, the transfer of which is planned for June. Among these, Naissaar where all the sea mines are either destroyed or withdrawn, and the former garrison of the radio intelligence station of the National Security Committee in Harju county in Vana-Aaviku should be noted.

In the navy ammunition and explosives depot located next to residential area of Rhoismaee in Tallinn, which was visited by Estonian Ministry of Foreign Affairs representatives and the special commission of the Tallinn Rescue Service, only 1,000 tons out of the former 5,500 tons of ammunition is left. 20-25 wagons would suffice for removing the remainder.

The Russian Army still holds 114 sites and single objects in the territory of Estonia. 86 of these are in Tallinn and 28 in Harju County. The largest of these are described below.

In land forces: The 144th motorized rifle division. Personnel estimated at about 1,000 men of whom about 700 are officers and ensigns. Besides that, the officers who have remained behind from the troops already withdrawn as well as the re-enlisted military men are also accounted to the personnel of this division. The regular soldiers leaving the division are being replaced by Russian citizens living in Estonia. In addition, Russian citizens from both Estonia and Russia who have already finished their service, as well as unemployed officers and re-enlisted military men are serving in the division as sergeants and soldiers on a contractual basis. The wives of officers have been employed in offices and logistical jobs.

The main duty of the motorized rifle regiment of Klooga is the defence of Aemari airport. Because of that, the armament—the armoured personnel carriers—has not yet been taken away. The regiment may leave after the transfer of the airport to Estonia.

In naval forces:

In the Russian naval units in Tallinn, Paldiski, Aemari and elsewhere in Harju county there are about 1,400 - 1,500 military men in all. At Tallinn naval base there still remain the headquarters, the headquarters of the 94th mine sweepers' brigade in the Mine Harbour, the 55th mine sweepers' unit (2 mine sweepers) and logistical units. On the whole, there are still about 400 seamen in Tallinn. As most of the officers and other military men are not in uniform while on the territory of Russian military objects, it has become difficult to determine their exact number.

At the 93rd naval training centre of Paldiski there are currently about 890 and at Aemari airport 100 - 150 Russian military men. About 100 men serve in several smaller service and logistical units and depots.

On the whole, about 2,400-2,500 military men are serving in the military units of the Armed Forces of the Russian Federation located on the territory of Estonia. In addition, it is estimated that about 500-1,000 have been demobilized or left behind in Estonia.

Work on the dismantlement of the Paldiski nuclear reactors, which, during the negotiations was planned for the beginning of April, has been practically stopped by the Russian side. Apparently experts and medical workers have been given leave until July. If this is true, the withdrawal of the fuel rods will not be carried out before July.

There are only 92 days left before the final deadline of the withdrawal of the Russian troops proposed by Russia—August 31 this year. Considering the number of the remaining troops and the lack of technical obstacles, complete withdrawal by this date is still possible. In the present situation where the ships, technology and equipment of the naval forces are being withdrawn more or less constantly, but the withdrawal of the 144th motorized rifle division is being delayed, one could suppose that the intent is to delay the withdrawal of these units with their armament and equipment up to the last moment in order to get more concessions from Estonia. It is also possible that some military objects might not be transferred to Estonian control by August 31 although the armament will be removed. A positive conclusion still depends greatly on active support for Estonia from other nations and international organizations.

President Rejects Threats by Defense Commander

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[Text] President Lennart Meri has said that establishing lasting good-neighborly relations with Russia is one of the key priorities in Estonia's foreign policy. The president also emphasizes the need to resolve all problems between the two states through political means, in talks around a table.

According to the president, the exchange of ideas which took place in Geneva between Russian Deputy Foreign Minister Vitaliy Churkin and Raul Malk, deputy chancellor of the Estonian Foreign Ministry, demonstrate a willingness to seek a mutually satisfactory solution through talks. The elimination of the last vestiges of World War II on 31 August not only presupposes the withdrawal of Russian troops from the former East Germany but also from Estonia and Latvia, President Lennart Meri says.

The Estonian president was prompted to explain Estonia's foreign policy by remarks made at a news conference on Saturday [4 June] by Major General Aleksander Einseln, the commander of defense forces. Einseln said on Saturday that the Estonian defense forces are capable of forcibly driving out the Russian military units deployed here. According to the president, any practical solutions about a prompt and unconditional withdrawal from Estonian territory by Russian troops will proceed from Estonian legislation and from decrees and instructions of the Estonian Government.

This has been reported by the BALTIC NEWS SERVICE agency.

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